



After a data breach, navigating the tangle of state notification laws can be exasperating and costly.

# COMPUTERWORLD



## ETHICS IN IT:

Dark secrets, ugly truths — and little guidance.

Page 34

## Inside

OCTOBER 29, 2007  
VOL. 41, NO. 44 \$5/COPY

### News Analysis

**Microsoft and open-source backers can't live with, or without, each other.** PAGE 18

**Wildfires prompt IT execs to put backup plans and new tools into action.** PAGE 24

**The Grill: IBM's Grady Booch warns that society depends on 'dangerously fragile' software.** PAGE 28

### Opinions

**How IT leaders can triumph over their three greatest challenges.** PAGE 32

**IT should stop being the corporate whipping boy and say no to users.** PAGE 50

### Careers

**Job-hunting tips on schmoozing, and hot IT skills.** PAGE 54

### Don't Miss ...

**Why enterprise architects need to act like anthropologists.** PAGE 44

\*\*\*\*\*  
#BXNDJPT \*\*\*\*\*CHL-RT LOT--R-050  
#0234745/CB/78 0744 001 21 041

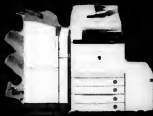


U M J  
PERIODICALS  
PO BOX 1346  
ANN ARBOR MI 48106-1346

1916-6  
RG



IN THE WORLD OF OFFICE COLOR,  
SPEED AND QUALITY SHOULDN'T BE LIMITED.  
EVEN IF MY BUDGET IS.



THE CANON COLOR IMAGERUNNER  
PRODUCE. PERSUADE. PERFORM. ON PAPER.

Color  
Imagerunner®

[www.usa.canon.com](http://www.usa.canon.com) 1-800-OK-CANON

*mage*ANYWARE

Goldfish have a memory span of 3 seconds.

They can't even see the past, much less the future.

But you can. With proven business intelligence and analytic software from SAS.

[www.sas.com/goldfish](http://www.sas.com/goldfish)



sas

THE  
POWER  
TO KNOW.

## ■ NEWS DIGEST

**12** Storage media lost by Iron Mountain held **unencrypted personal data** on Louisiana residents. [Banks claim that **84 million** credit cards were compromised in the **TJX data breach**, double earlier estimates.

**14** Court papers reveal that **phishers** conned Supervalu into depositing more than **\$10 million** into fraudulent bank accounts. [The U.S. Defense and Veterans Affairs departments still can't fully share their **electronic health records**.

16

**16** Online **ticket sales** for the Colorado Rockies' home World Series games were **suspended** after the **servers** had to be shut down.

## ■ NEWS ANALYSIS

**16** **Microsoft and Open-Source Backers Eye Each Other** - **Warily**. The software vendor and the open-source community continue to have a complicated, friend-or-foe relationship.

**24** **IT Answers Call in California Wildfires**. IT execs in affected areas activated backup plans and new emergency-response systems.

## ■ OPINION

**8** **Editor's Note: Don Tennant** says feedback on our decision to delete two reader comments from our Web site offers IT pros an interesting lesson.

**32** **Thermon A. May** tells IT leaders how to conquer their three greatest challenges.

**50** **Paul M. Ingvaldsen** wants IT to stop being the whipping boy and take its place in the company hierarchy.

**60** **Frankly Speaking: Frank Hayes** thinks TJX was being optimistic, not deceptive, in vastly underestimating the number of customers affected by its data breach.

# Inside

COMPUTERWORLD ■ OCTOBER 29, 2007



## ■ FEATURES

### 34 Ethics and IT

**COVER STORY: IT employees' access to digital information gives them the power to monitor and report co-workers who break company rules - and to break rules themselves. So far, there's little consensus on how to wield that power.**

### 38 Who You Gonna Call?

**With more than 30 different state notification requirements for handling a data breach, the potential to make a bad situation worse is huge. Instead of just hoping for the best, companies should be devising a plan.**

### 44 The People Side of IT Architecture

**As Con-way's Jackie Barretta (left) found, the key to enterprise architecture is to build a team whose members think less like technologists and more like anthropologists.**



COVER: ILLUSTRATION BY  
BRIAN STAUFFER

## ■ DEPARTMENTS

**26 On the Mark:** Information integrity is probably your CFO's top concern, according to a recent survey. **Mark Hall** asks, is it yours?

**28 The Grill:** **Grady Boock**, IBM Rational's "free radical," talks about the enduring difficulties of software development, his advocacy of open source and Second Life, and his license to kill.

28

**42 Security Manager's Journal: Security Issues Are Everywhere.** A security manager's job is never done, but it helps if everyone in the agency has been trained to recognize trouble.

**54 Career Watch:** Our job-hunting edition has the scoop on networking and more.

**56 Shark Tank:** User brings his brand-new home PC in to get VPN software, but it runs on the incompatible Windows Vista Home. User isn't clear on the "runs on" part.

## ■ ALSO IN THIS ISSUE

Letters	19
Company Index	58

**IBM.**





WebSphere

\_INFRASTRUCTURE LOG

\_DAY 84: Feeling really disconnected. We're not getting the most out of our existing assets. Service and application integration is a nightmare. Our connections are restrictive. We've got to stop working on these islands.

\_Please rescue me from this lack of connectivity.

\_DAY 87: I've taken back control with IBM WebSphere solutions. Now we can service-enable and connect our existing assets for mission-critical goals. We can reuse existing applications and save money by eliminating redundant systems. Now we're ready for any SOA integration project.

\_Plus, no more jellyfish stings.

Download the enterprise service bus white paper at:  
[IBM.COM/TAKEBACKCONTROL/CONNECT](http://IBM.COM/TAKEBACKCONTROL/CONNECT)

# This Week Online

## Apple Leopard: What You Need To Know

Our in-depth coverage of the eagerly awaited new Mac operating system includes:

■ **In Depth: Apple's Leopard Leaps to New Heights**  
After almost two and a half years, the Mac faithful finally have a crack at Apple's latest operating system, Mac OS X 10.5 Leopard. Here's a detailed look at the new features and changes they'll get.

■ **What's New in Leopard Server:** The server component of Apple's Mac OS X has been completely made over. We'll tell you what's new, what's different and what to watch out for.



■ **Five Reasons Not to Make the Jump to Leopard - Yet:**  
Although many Mac users are clamoring at the bit to upgrade to the new operating system, not everyone should do so. Here's a guide for those wary of change.

■ **Image Gallery: A First Look at Leopard**  
Take a tour of Mac OS X 10.5's new features, applications and, yes, eye candy.

## 13 Future Mobile Technologies That Will Change Your Life

These disruptive technologies will change how you work, play and communicate when you're mobile. Many believe it's not a matter of "if" they will happen, but "when."  
[computerworld.com/mobilewireless](http://computerworld.com/mobilewireless)

## Geek Stars: The Secret (Nerdy) Lives of Celebrities

Who says all the big stars are brainless? We've dug up more than 40 celebrities with some serious science and technology chops. Prepare to be surprised.  
[computerworld.com/careers](http://computerworld.com/careers)

## A Standard That Leaves Out the Good Stuff?

The Storage Management Initiative Specification was created to allow interoperability among hardware through a single pane of glass. But users and others say the standard falls far short because the most important APIs have been left out.  
[computerworld.com/storage](http://computerworld.com/storage)

## Opinion: The Best Privacy Advisers in 2007

The results from Jay Cline's annual survey.  
[computerworld.com/itmanagement](http://computerworld.com/itmanagement)

## Blog Spotlight

### Google Wants to Own Your Library

Google wants to make the world's libraries available online - exclusively via its own Web site. Nothing doing, say library consortiums around the globe, opting instead for open-source alternatives, reports Preston Gralla.  
[computerworld.com/blogs/node/6427](http://computerworld.com/blogs/node/6427)

### Protecting Against The 'D'oh! Factor

Security managers can protect their companies against hackers, spammers, viruses and spyware. But who protects a company against its own employees' ignorance? Jalkumar Vijayan blogs about how this vulnerability affected grocery chain Supervalu.  
[computerworld.com/blogs/node/6420](http://computerworld.com/blogs/node/6420)

#### ONLINE DEPARTMENTS

Breaking News	<a href="http://computerworld.com/news">computerworld.com/news</a>
Newsletter Subscriptions	<a href="http://computerworld.com/newsletters">computerworld.com/newsletters</a>
Knowledge Centers	<a href="http://computerworld.com/topics">computerworld.com/topics</a>
The Online Store	<a href="http://computerworld.com/store">computerworld.com/store</a>



his notebook may  
crash, but his  
drive won't.



### solid state reliability

Introducing the new Samsung Flash Solid State Drive (SSD).

No moving parts, except some hardworking electrons. A mean time between failures (MTBF) six times longer than a hard drive. Virtually unlimited shock resistance. And power use that extends battery life up to 20%. With a Samsung SSD inside your notebook, your data is always there when you need it.

[www.samsungssd.com](http://www.samsungssd.com)



\*Mean Time between Failure  
1-1P A05400, 3P Pro, Core Duo Processor 2.0GHz, 512MB RAM, 8217, 840 Chipset  
© 2007 Samsung. All rights reserved.

■ EDITOR'S NOTE

Don Tennant

# Keeping Our Wits

**T**WO WEEKS ago in a column titled "Under the Covers," I provided a behind-the-scenes look at some of the issues we face in monitoring reader comments on our Web site and the tough decisions our editors sometimes have to make on whether a comment should be removed.

The case I cited involved the removal of two reader comments in response to "Data Centers Get Religion," a story about unusual locations for data centers, including buildings that were formerly places of worship. I explained that the first comment was removed because it went off topic when the reader used the forum to suggest that others should adopt his religious conviction. I noted that the second reader was off topic because he used the forum to mock that conviction.

Aware that it was a controversial decision because it involved the highly emotional issue of religion, I asked our readers if we made the right call. Interestingly, the respondents were remarkably evenly split.

At this writing, there are 19 comments on our Web site from readers who responded directly to the question. Nine of those readers said we made the right decision; 10 said we did not.

In addition, to date, 26

readers have replied via e-mail. Thirteen said we got it right, 10 said we got it wrong, and three addressed the issue without expressing a view either way.

The exercise demonstrated that the decision was hardly a no-brainer — these aren't easy calls for our editorial empires to make. It also did something else worth mentioning. And a lot of people aren't going to want to hear it.

It illustrated a point that every IT professional would do well to remember: that well-intentioned people draw erroneous conclusions and make false generalizations if they fail to think an issue through.

Consider this viewpoint I received via e-mail:

"This removal of comments demonstrates a

censorship of the natural language of [those] who ... oppose this discarding of historical ties with formerly Christian institutions. Religious people use religious language to say what we say. For secular persons to discriminate and permit only secular language, even on topics that involve religion, is an affront. ... The language of persons of faith is by nature personal. Christians do not see Christianity as a theory like perhaps secularists see it. ... But our view and our language should not be censored."

This reader not only concludes that the comments were removed by a secularist, but he seems to think that "persons of faith" and "Christians" can be used interchangeably. Those are irrational leaps.

Another reader expressed this view:

"You opened the door for this comment when you 'went there' to draw your readers in with the title. Shame on people of faith if we do not try to address what is going on

around us in any way that we can. ... Everyone else gets to share their view except people of faith. ... Make you a deal: You stop invoking religion in any of your articles, and we will stop responding to clarify or correct what is being inaccurately conveyed about a very personal issue."

My question to this reader is a simple one: When you say "we," to whom are you referring? All Christians? All people of faith? Then explain this response:

"As a bivocational pastor, I work a full-time job in the IT industry, as well as serve as an associate pastor at my church. ... I can completely understand and support your decision to remove both of the off-topic posts."

And this one:  
"Your forum is not the place for readers to expound on their religious beliefs — that's not what I read *Computerworld* for. And, lest anyone wonders, I'm a lifelong Methodist who would happily pick you up and take you to church with me any Sunday. I'm just not going to force you into my car at gunpoint to do it."

Yes, it's religion, and yes, it's emotional. But we need to keep our wits about us, even when — no, especially when — tough, emotional issues arise. ■

**Don Tennant** is editor in chief of *Computerworld*. Contact him at [dora\\_tennant@computerworld.com](mailto:dora_tennant@computerworld.com).

**■ The exercise did something else worth mentioning. And a lot of people aren't going to want to hear it.**

We're secure. We're compliant.  
Now we're busting out the

# SHURIMDYAE

S H U R I M D Y A E

Congratulations. Your IT security is working hard. But there's something more it should do (besides the protection, compliance, access, etc.). IT security should actually make your business more efficient. More flexible. More competitive. CA can help. Our Security Management centralizes your identity and access management to turn IT security into a proactive, business-building tool. So your security strengthens customer relationships, grows partnerships and helps your enterprise address changing markets with ninja-like agility. All with CA's best-in-class modularity, scalability and integration. But don't just take our acronym for it. Download the white paper, "Security Management: Aligning Security with Business Opportunities," at [ca.com/secure](http://ca.com/secure).

GOVERN • MANAGE • SECURE

**ca** Transforming  
IT Management

## COMPUTERWORLD

P.O. Box 9171, 1 Speen Street  
Framingham, MA 01701  
(508) 879-0700  
Computerworld.com

### EDITORIAL

**Editor in Chief** Don Tennant  
**Executive Editors** Mitch Betts,  
Julia King (events)  
**Features Editors** Kathleen Malyzka,  
Elen Fanning (special reports)  
**Managing Editor/Production**  
Michele Lee DeFilippo  
**Assistant Managing Editor/Production**  
Bob Ransom  
**Design Director** Stephanie Faucher  
**National Correspondents** Gary Arndes,  
Thomas Hoffman, Julia King, Robert L. Mitchell  
**Editor at Large** Mark Hall  
**Senior News Columnist** Frank Hayes  
**Art Director** April O'Connor  
**Associate Art Director** Owen Edwards  
**Research Manager** Mari Keefe  
**Senior Copy Editors** Eugene Demaine,  
Monica Sambataro  
**Copy Editor** Donna Susman  
**Office Manager** Linda Borgone  
**Contributing Editor** Jamie Eddle

### COMPUTERWORLD.COM

**Online Editorial Director** Scott Fennie  
**Online Managing Editor** Sharon Meckles  
**Online Features Editor** Valerie Potter  
**Senior Online Projects Editor** Ian Lamont  
**News Editors** Ken Mingli, Craig Stedman  
**Assistant News Editors** Mike Buchan,  
Marion Prokop  
**Reporters** Brian Fonseca, Sharon Gaudin,  
Matt Hamblin, Heather Havenstein, Gregg Keizer,  
Eric Lai, Linda Rosencrance, Patrick Thibodeau,  
Johanna Vijaya, Todd R. Weiss  
**E-mail Newsletter Editor** David Ramel  
**Online Channel Editors** Johanna Ambrosio,  
Angela Gurn, Lucas Meertin, Marion Prokop,  
David Ramel  
**Online Projects Editor** Joyce Carpenter  
**Associate Editor, Community** Ken Gagny  
**Contributing Editors** Preston Galla,  
David Haskin

### CONTACTS

Phone numbers, e-mail addresses and reporters' beats are available online at [Computerworld.com](http://Computerworld.com) (see Contacts link at the bottom of the home page).  
**Letters to the Editor** Send to [letters@computerworld.com](mailto:letters@computerworld.com). Include an address and phone number for immediate verification. Letters will be edited for brevity and clarity.  
**24-hour news tip hot line** (508) 820-7716  
**Subscriptions and back issues** (888) 559-7327, [cw@mcmedia.com](mailto:cw@mcmedia.com)  
**Reprints/journals** The YGS Group, (800) 290-5480 ext.150, [computerworld@ygsgrp.com](mailto:computerworld@ygsgrp.com)

## LETTERS

### Designs on iPhone

You missed the most important thing to change in the iPhone ["15 Things Apple Should Fix in iPhone 2.0," *Computerworld.com*, Sept. 21]: live streaming of video and audio. The iPhone's screen size and resolution are superior to any other mobile device. I would give up any (or all) of the improvements that you mentioned for this one alone, and it would more than make up for the shortfalls with the iPhone I have experienced so far.

**■ Kevin J. Blanchard**, director, business development, Alexandria, Va.

After using the iPhone daily for two and a half months, my practical upgrades, ordered by priority: a copy-and-paste function that's universal in iPhone; to-dos that sync with iCal; a landscape keyboard; GPS, via Bluetooth; and video capture (even in a limited amount of, say, 30 seconds).

The others in your article are fine, but they are for a younger, nonbusiness crowd. The 3G thing would be nice, but my EDGE coverage has been good enough for quick e-mail checks and casual surfing. In fact, EDGE's spottiness helps prevent overuse of the iPhone when driving.  
**■ Nick Fay**, president and CTO, Aptos, Calif.

### CIOs Need Many Skills

Since IT has become a mission-critical support service that spans all departments in the enterprise, a business viewpoint for how all these systems interrelate with each other is essential to a CIO's skill set ["The Future CIO May Be a Non-geek," *Computerworld.com*, Oct. 8].

A solid understanding of the company's business model and operations helps when allocating IT resources in alignment with the organization's strategy and initiatives. There are also opportunities to identify and create business value through leveraging the information from multiple systems that might go unnoticed if leaders lack a

business viewpoint. The ability to communicate with other organizational leaders in the same jargon is also valuable.

I transitioned to my organization's IT department a few years after receiving my master's in health administration, and I feel that the training I received was critical to some of the changes we have accomplished. I decided to continue my training and will graduate with a master's in information systems this December. I feel that the combination of training I have received plus the experience I have obtained on the job will be invaluable as I work toward one of my career goals of obtaining a CIO-level position.  
**■ Carl Delozal**, director, IS business operations, University of Texas Medical Branch, Galveston

### E-mail Is Here to Stay

Since the subject of the article "To Improve IT, Consider Ditching E-mail" [*Computerworld.com*, Oct. 9] is a CIO at a government agency, whether she succeeds or fails, the taxpayers fund her silly experiment. E-mail is critical to coordinate the activities of groups whose members operate around the globe. Few organizations have the luxury of face-to-face meetings anymore.

**■ Mark C. Edwards**, chief scientist, Chubbuck, Idaho

### Expecting Downtime

The most important thing about uptime was buried in the story "Six Objections to Microsoft Office Communications Server" [*Computerworld.com*, Oct. 16]: that Lionbridge Technologies has had 99.88% scheduled uptime. That buries the reboots required for patching and other chores that eat into any Microsoft system's uptime. When you only talk about "scheduled" uptime, you make that issue go away — on paper.

**■ Leda McNair, DBA/ERP** operations manager, Baltimore, [Leda\\_McNair@yahoo.com](mailto:Leda_McNair@yahoo.com)



Juniper  
NETWORKS

# JUNIPER JUNOS SOFTWARE SET UP SEMINAR

1. UNPACK
2. PLUG IN
3. HAVE A NICE DAY!



>> **Differentiate and compete, easily.** Take control of a more distributed enterprise, prevent downtime, improve operations efficiencies, enhance business flexibility, lower costs — to realize growth opportunities and improve your bottom line.

Leave legacy limitations behind with forward-looking technology and routing solutions from Juniper Networks. As a single operating system, our JUNOS™ software provides one experience across platforms. Customers who deploy JUNOS software can benefit from improved availability and delivery of services, reduced operations effort and errors, and added flexibility to meet new business needs — so your high-performance business meets every next-gen need. See how Juniper is the only one making every IT initiative better: [www.juniper.net/junos](http://www.juniper.net/junos)

Juniper  
*Your*  
Net..

1.888.JUNIPER

# News Digest

FIND THE FULL STORIES AT  
COMPUTERWORLD.COM



Iron Mountain says it "encourages" customers to encrypt backup data.

## SECURITY

### State Data Loss Renews Emphasis on Encryption

**T**HE LOSS of unencrypted storage media from an Iron Mountain Inc. vehicle last month renewed calls for IT managers to better protect data stored off-site.

The Louisiana Office of Student Financial Assistance (LOSA) said the unencrypted data lost from an Iron Mountain vehicle on Sept. 19 included the names, birth dates and Social Security numbers of thousands of state residents.

The Port Allen, La.-based state agency administers several scholarship programs and Louisiana's 529 College Savings Plan.

Sue Boutte, assistant executive director and chief operating officer of the agency, last week declined to say whether the unencrypted data was stored on tape or disk drives. However, she acknowledged that "if you trust your data to a courier, then obviously something like this can happen."

According to Boutte, the incident occurred while the agency was working on a plan to encrypt all backup data stored off-site.

"LOSA was in the process of developing our disaster and recovery plan, but [the loss] occurred before we could get it in place and

establish it as a standard plan," she said.

In a statement, Boston-based Iron Mountain blamed the media loss on "a driver [who] did not follow established company procedures when loading the container onto his vehicle." It also noted that the company "encourages" its customers to encrypt backup data.

A similar incident at TD Ameritrade Inc. two years ago prompted the Omaha-based financial services firm to encrypt all of its backup data, an Ameritrade spokesman said.

The backup tapes, later recovered, fell off a conveyor belt and became lost in a shipping facility of an undisclosed contractor. Those tapes contained personal data on 200,000 Ameritrade clients.

After the incident, "we re-evaluated our processes and procedures, and from that point forward, we encrypted [all data] and have taken that extra level of protection," the spokesman said.

Brian Babineau, an analyst at Enterprise Strategy Group Inc. in Milford, Mass., said that IT managers who don't encrypt data are "not doing their jobs. Organizations need to understand that encryption is a necessity and not a luxury anymore."

— Brian Fonseca

## THE WEEK AHEAD

**MONDAY:** The Fall 2007 VON Conference and Expo starts in Boston, with a focus on voice on the Net and other IP communications technologies.

**WEDNESDAY:** The U.S. House Committee on Science and Technology plans to hold a hearing in Washington on environmental and safety issues related to nanotechnology.

**THURSDAY:** Software vendor CA is scheduled to report its second-quarter financial results.

## SECURITY

### Update: TJX Victim Tally Rises to 94M

About 94 million payment cards were compromised in a data breach of The TJX Companies Inc.'s systems, more than double the retailer's earlier estimates, according to papers filed last week in federal court in Boston.

#### TJX Breach Figures

Payment cards affected  
Overall: 94M  
Visa cards: 65M  
MasterCards: 29M

Losses blamed on breach  
Visa cards: \$68M to \$83M  
MasterCards: Undisclosed

Framingham, Mass.-based TJX had disclosed to the U.S. Securities and Exchange Commission in March that the breach, discovered early this year, affected 45 million cards.

The latest estimate was made by a group of banks looking for approval to file a class-action lawsuit. The suit would seek recompense for losses from the breach. TJX officials declined to comment.

In an affidavit, the bankers said that "TJX continues to downplay the seriousness of the situation."

— JAIKUMAR VIJAYAN



# News Digest

FIND THE FULL STORIES AT  
COMPUTERWORLD.COM

## THE WEEK AHEAD

**MONDAY:** The Fall 2007 VON Conference and Expo starts in Boston, with a focus on voice on the Net and other IP communications technologies.

**WEDNESDAY:** The U.S. House Committee on Science and Technology plans to hold a hearing in Washington on environmental and safety issues related to nanotechnology.

**THURSDAY:** Software vendor CA is scheduled to report its second-quarter financial results.



Iron Mountain says it "encourages" customers to encrypt backup data.

### SECURITY

## State Data Loss Renews Emphasis on Encryption

**T**HE LOSS OF unencrypted storage media from an Iron Mountain Inc. vehicle last month renewed calls for IT managers to better protect data stored off-site.

The Louisiana Office of Student Financial Assistance (LOSFA) said the unencrypted data lost from an Iron Mountain vehicle on Sept. 19 included the names, birth dates and Social Security numbers of thousands of state residents.

The Port Allen, La.-based state agency administers several scholarship programs and Louisiana's 529 College Savings Plan.

Sue Boutte, assistant executive director and chief operating officer of the agency, last week declined to say whether the unencrypted data was stored on tape or disk drives. However, she acknowledged that "if you trust your data to a courier, then obviously something like this can happen."

According to Boutte, the incident occurred while the agency was working on a plan to encrypt all backup data stored off-site.

"LOSFA was in the process of developing our disaster and recovery plan, but [the loss] occurred before we could get it in place and

establish it as a standard plan," she said.

In a statement, Boston-based Iron Mountain blamed the media loss on "a driver [who] did not follow established company procedures when loading the container onto his vehicle." It also noted that the company "encourages" its customers to encrypt backup data.

A similar incident at TD Ameritrade Inc. two years ago prompted the Omaha-based financial services firm to encrypt all of its backup data, an Ameritrade spokesman said.

The backup tapes, later recovered, fell off a conveyor belt and became lost in a shipping facility of an undisclosed contractor. Those tapes contained personal data on 200,000 Ameritrade clients.

After the incident, "we re-evaluated our processes and procedures, and from that point forward, we encrypted [all data] and have taken that extra level of protection," the spokesman said.

Brian Babineau, an analyst at Enterprise Strategy Group Inc. in Milford, Mass., said that IT managers who don't encrypt data are "not doing their jobs. Organizations need to understand that encryption is a necessity and not a luxury anymore."

— Brian Fonseca

## Update: TJX Victim Tally Rises to 94M

payment cards were compromised in a data breach of The TJX Companies Inc.'s systems, more than double the retailer's earlier estimates, according to papers filed last week in federal court in Boston.

Overall:  
Visa cards  
MasterCards

Visa cards  
MasterCards

Framingham, Mass.-based TJX had disclosed to the U.S. Securities and Exchange Commission in March that the breach, discovered early this year, affected 45 million cards.

The latest estimate was made by a group of banks looking for approval to file a class-action lawsuit. The suit would seek recompense for losses from the breach. TJX officials declined to comment.

In an affidavit, the bankers said that "TJX continues to downplay the seriousness of the situation."

JAIKUMAR VIJAYAN





Quad-core.  
Unmatched.



CAREFUL, DON'T TRIP OVER  
THE INFRASTRUCTURE.

Strength and power, now in a smaller, more convenient size. Introducing the HP BladeSystem c3000. All the technology of our larger BladeSystem in an efficient, compact, affordable package. Careful, watch your step.

Technology for better business outcomes.

Powered by the Quad-Core Intel® Xeon® Processor

Get down to the smallest details. Visit [hp.com/go/nocompromise57](http://hp.com/go/nocompromise57)  
1-866-625-0808



## NEWS DIGEST

### SECURITY

# Phishers Nearly Pull Off \$10M Scam of Grocer

**J**UST LIKE unwary individuals, large corporations can sometimes get suckered by devious phishers into parting with money.

For example, grocery chain Supervalu Inc. earlier this year was conned into depositing more than \$10 million into two fraudulent bank accounts before it discovered the ruse.

Details of the incident are contained in documents filed in federal court in Idaho in connection with a case seeking to determine ownership of the funds.

In the filing, Stephen Kilgoff, vice president of legal affairs at Eden Prairie,

Minn.-based Supervalu, said the fraud took place in late February and early March.

On Feb. 26 and 28, he said, the company received two fraudulent e-mails — one purporting to be from an

employee at American Greetings Corp., and a second supposedly from an employee at PepsiCo Inc.'s Frito-Lay Inc. unit. Both of those firms are approved Supervalu suppliers, according to the filing.

Both fraudulent e-mails sought to get Supervalu to send future payments to new bank accounts.



Supervalu obeyed e-mails telling it to transfer payments to new bank accounts.

Between Feb. 28 and March 3, Kilgoff's filing said, Supervalu deposited more than \$6.5 million via multiple wire transfers to an

HSBC Holdings PLC account listed in the fake American Greetings message.

And on March 2, Supervalu said it made eight separate wire transfers totaling \$3.6 million to First Security

Bank in Rogers, Ark., as requested in the second e-mail.

Around March 6, according to the filings, Supervalu determined that it had been "induced" into depositing money into bogus accounts, and quickly notified federal law enforcement, which then recovered most of the money before it could be withdrawn by the scammers.

In an e-mail, a spokeswoman for Supervalu acknowledged the fraud but noted that "due to our internal controls and processes, we were able to quickly discover and report this to the FBI. As a result of the quick work of the Boise FBI office and the U.S. Attorney, any funds lost are minimal."

The company declined to comment further on the incident.

—Jaikumar Vijayan

## Short Takes

Feb. 27 at 5:30 p.m. EST

late last week reported the middle of a firm's \$8.3 billion annual proposal. The database vendor termed BEA's asking price "in possibly high," but it is not other company to pay.

has agreed to buy a development of WebMax broadband wireless access system for \$330 million in cash. Naven will become part of Ciena's wireless network and business unit when the deal closes in January.

has agreed to pay \$250 million to settle a year-and-a-half dispute with retail chip maker.

The agreement grants Intel the right to license Transmeta's patents for use in future products.

In filings with the U.S. Bankruptcy Court in Delaware,

disclosed that it may sign sell its steadily declining Unix business to investment firm.

for \$36 million.

## DOD, VA Not Fully Engaged on E-health

WASHINGTON — After nine years of work, the U.S. Department of Defense and the U.S. Department of Veterans Affairs are still unable to share the full electronic health records of military personnel and veterans, officials told a congressional committee last week.

The DOD and the VA have agreed to take some tentative steps to share data on a common

and emergency room reports. But they won't be able to exchange information such as vital signs, laboratory data and family histories of patients until sometime next year, said Dr. Gerald Gross, principal deputy undersecretary of health at the VA.

The work to make data compatible between two different health care systems is a long and complex process.

standardization of data. Gross told the congressional committee of the U.S. House Committee on Veterans' Affairs.

Valerie Melvin, a director at the U.S. Government Accountability Office, said that the GAO has yet to see from the two agencies a comprehensive plan for sharing their e-health records. She added that the amount of data currently being exchanged is

limited, and that the DOD and VA still have "significant work" to do on the project.

But agency officials expressed optimism, saying that they expect to be able to share all of their e-health data within the next 12 months.

"We are all working toward the same end," said Dr. Stephen Jones, the DOD's principal deputy assistant secretary for health affairs.

GRANT GROSS  
OF NEWS SERVICE

**Some things are better left alone.**

Before you start that big transition to VoIP, don't ditch your phone. It may not be the grand reconstruction project they've been talking about. Simply stated, it isn't about ripping and replacing or big upfront costs. That's because it isn't about hardware. It's actually about software. And you can keep your hardware—your PBX, your gateways, even



## SERVERS

# System Woes Send Rockies to Shower on Ticket Sales

AN ONLINE SALE of World Series tickets by the Colorado Rockies got an early hook last Monday after the baseball team's automated ticketing vendor had to shut down its servers.

Shaw Taylor, marketing director at Paciolan Inc., said the Irvine, Calif.-based ticketing company's systems experienced "an outage" that began about 10 minutes after tickets went on sale for the Rockies' home games against the Boston Red Sox at Coors Field in Denver.

Only about 500 tickets were sold for the games before the servers were taken offline, according to Taylor. He said the outage lasted for 90 minutes and affected all of Paciolan's clients, which include about 550 sports teams, museums and performing arts centers.

Paciolan CEO Dave Butler said later in the week that the company had never been forced to shut down a sale before. But, he explained, its servers were hit by a pair of denial-of-service attacks that the company's Cisco firewalls couldn't block. Paciolan decided to unplug the systems and add new filters to the firewalls, Butler said.

DoS attacks led to a server shutdown that halted ticket sales for World Series games in Denver.

The Rockies and Red Sox were scheduled to play Games 3 and 4 of the World Series at Coors Field over the weekend, with Game 5 set for tonight, if necessary. Some online readers of *Computerworld* complained that the system still wasn't working properly when ticket sales resumed last Tuesday. But Butler said that was a case of 750,000 or so would-be ticket buyers being put in a virtual waiting room because only 52,000 seats were available.

— Todd R. Weiss

## BETWEEN THE LINES

By John Klossner



Microsoft Corp. said it will buy a stake in Facebook Inc. for \$240 million in a deal that values the social networking firm at \$15 billion.

MySQL AB confirmed that it plans to include code developed by Google Inc. in future versions of its open-source database. Google uses

MySQL and has customized the software extensively.

ONE YEAR AGO: Online brokerages ETrade Financial Corp. and TD Ameritrade Holding Corp. disclosed that overseas hackers had broken into some customer accounts, resulting in losses of at least \$22 million.

## Global Dispatches

### EC Ruling Ends Microsoft Appeal

BRUSSELS — Microsoft Corp. last week dropped its outstanding appeals of European antitrust rulings after the European Commission announced that the company is now in compliance with the EC's 2004 ruling.

Microsoft last year had appealed a €280.5 million (\$402 million U.S.) fine imposed by the EC for failing to provide interoperability protocols to rivals, as required in the commission's 2004 antitrust ruling. The company had also appealed the EC's demand that it make the protocols available to software developers.

Erich Andersen, European general counsel for Microsoft, said that the company will now

"focus all of our energies on complying with our legal obligations and strengthening our constructive relationship with the European Commission."

Paul Meller, IDG News Service

### HP to Buy Mideast Systems Integrator

MANAMA, BAHRAIN — Hewlett-Packard Co. last week agreed to acquire systems integrator Atos Origin Middle East, based here, as part of an effort to expand its services operation in the region.

HP did not disclose the terms of the deal for privately held Atos, but it did note that the firm is not related to Paris-based Atos Origin SA, another systems integration company.

Atos Origin Middle East has 450 employees and operates in Saudi Arabia, Bahrain, the United Arab Emirates, Libya and Qatar. It will become part

of HP's Middle East and Africa subregion services business, said an HP spokeswoman. Agam Shah, IDG News Service

### BRIEFLY NOTED

The Victoria Department of Education and Early Childhood Development in Melbourne, Australia, has signed a \$23 million Australian (\$21 million U.S.) contract with Commander Communications Ltd. in Sydney to install Vista, Office 2007, Windows Server 2008 and SQL Server on computers in 1,600 schools and offices. Darren Pauli, Computerworld Australia





## SERVERS

## System Woes Send Rockies to Shower on Ticket Sales

**AN ONLINE SALE** of World Series tickets by the Colorado Rockies got an early hook last Monday after the baseball team's automated ticketing vendor had to shut down its servers.

Shaw Taylor, marketing director at Paciolan Inc., said the Irvine, Calif.-based ticketing company's systems experienced "an outage" that began about 10 minutes after tickets went on sale for the Rockies' home games against the Boston Red Sox at Coors Field in Denver.

Only about 500 tickets were sold for the games before the servers were taken offline, according to Taylor. He said the outage lasted for 90 minutes and affected all of Paciolan's clients, which include about 550 sports teams, museums and performing arts centers.

Paciolan CEO Dave Butler said later in the week that the company had never been forced to shut down a sale before. But, he explained, its servers were hit by a pair of denial-of-service attacks that the company's Cisco firewalls couldn't block. Paciolan decided to unplug the systems and add new filters to the firewalls, Butler said.

DoS attacks led to a server shutdown that halted ticket sales for World Series games in Denver.

The Rockies and Red Sox were scheduled to play Games 3 and 4 of the World Series at Coors Field over the weekend, with Game 5 set for tonight, if necessary. Some online readers of *Computerworld* complained that the system still wasn't working properly when ticket sales resumed last Tuesday. But Butler said that was a case of 750,000 or so would-be ticket buyers being put in a virtual waiting room because only 52,000 seats were available.

— Todd R. Weiss

## Global Dispatches

### EC Ruling Ends Microsoft Appeal

**BRUSSELS** — Microsoft Corp. last week dropped its outstanding appeals of European antitrust rulings after the European Commission announced that the company is now in compliance with the EC's 2004 rulings.

Microsoft last year had appealed a \$280.5 million (\$402 million U.S.) fine imposed by the EC for failing to provide interoperability protocols to rivals, as required in the commission's 2004 antitrust ruling. The company had also appealed the EC's demand that it make the protocols available to software developers.

Erich Andriessen, European general counsel for Microsoft, said that the company will now

"focus all of our energies on complying with our legal obligations and strengthening our constructive relationship with the European Commission."

Paul Miller, IDG News Service

### HP to Buy Mideast Systems Integrator

**MANAMA, BAHRAIN** — Hewlett-Packard Co. last week agreed to acquire systems integrator Altes Origin Middle East, based here, as part of an effort to expand its services operation in the region.

HP did not disclose the terms of the deal for privately held Altes, but it did note that the firm is not related to Paris-based Altes Origin SA, another systems integration company.

Altes Origin Middle East has 450 employees and operates in Saudi Arabia, Bahrain, the United Arab Emirates, Libya and Qatar. It will become part

of HP's Middle East and Africa subregion services business, said an HP spokeswoman.

Agnes Shah, IDG News Service

Online for services and disclosed that overseas hackers had broken into some customers' accounts, resulting in losses of at least \$22 million.

of HP's Middle East and Africa subregion services business, said an HP spokeswoman.

### BRIEFLY NOTED

The Victoria Department of Education and Early Childhood Development in Melbourne, Australia, has signed a \$23 million Australian (\$21 million U.S.) contract with Commander Communications Ltd. in Sydney to install Vista, Office 2007, Windows Server 2008 and SQL Server on computers in 1,600 schools and offices.

Bernie Paul, Computerworld Australia



**The Internet can't hide anymore.**

The AT&T LaptopConnect Card works in more places worldwide than any other U.S. carrier.

**\$49.99**

with 2-year wireless service agreement  
on DataConnect plans \$59.99 or higher



Go to [att.com/laptopconnect](http://att.com/laptopconnect) or visit your nearest AT&T store.

Coverage not available in all areas. Limited-time offer. Other conditions and restrictions apply. See contract and rate plan brochure for details. Subscriber must live and have a mailing address within AT&T's owned network coverage area. Up to \$36 activation fee applies. Equipment price and availability may vary by market and may not be available from independent retailers. Early Termination Fee: None if cancelled in the first 30 days; thereafter \$175. Some agents impose additional fees. Sales tax calculated based on price of unactivated equipment. Certain email systems may require additional hardware and/or software to access. Service provided by AT&T Mobility. ©2007 AT&T Intellectual Property. All rights reserved. AT&T, the AT&T logo, and all other marks contained herein are trademarks of AT&T Intellectual Property and/or AT&T affiliated companies.

# Microsoft and Open-Source Backers Eye Each Other—Warily

Despite new overtures, the two sides remain 'frenemies' — sometimes friends, sometimes foes. **By Eric Lai**



**T**HERE'S A SCENE in the 2004 movie *Mean Girls* in which the most popular girl in the film's fictional high school finds out that a friend who now is a fast-rising social rival plans to throw a party without inviting her.

"Who does she think she is?" sniffs the suddenly threatened clique leader — or "Queen Bee," in the movie's parlance.

"I, like, 'invented' her, you know what I mean?"

Take away the Valley Girl lingo and substitute "open source" for "she," and you have an approximation of Microsoft Corp. CEO Steve Ballmer's declaration almost exactly one year ago that Linux (playing the role of the movie's "Wannabe") "uses our intellectual property."

Ballmer's statement — along with

follow-up claims by Microsoft executives that they had found violations of 235 patents in Linux and other open-source software — caused a sudden reframing of what had been a slowly thawing relationship between the company and the open-source community.

In recent years, Microsoft, whose combative CEO once called Linux a "cancer" from an intellectual property standpoint, has set up its own open-source testing lab, begun hosting open-source projects on its CodePlex Web site and signed partnership deals with various open-source vendors.

But by dangling the threat of patent-infringement lawsuits over the heads of users and vendors alike, "Microsoft opened up a can of worms with the open-source community that they have been attempting to close since then," said Charles King, an analyst at Pund-IT Inc. in Hayward, Calif.

So wary "frenemies" the two sides remain. And their friend-or-foe relationship has continued to evolve in both directions this month.

Microsoft did finally get an invitation of sorts to the open-source party on Oct. 10, when the Open Source Initiative (OSI) approved two of its software licenses as a valid means of distributing open-source technologies.

The company also continues to try to ingratiate itself with open-source backers. At the Web 2.0 Summit in San Francisco, Ballmer vowed to "do some buying of companies that are built around open-source products."

And last Monday, Microsoft agreed to give developers of open-source workgroup server products access to Windows interoperability information and to slash the royalties it will charge for using the information from 5.95% of a product's revenue to 0.4%. But that agreement was a grudging one, made to finally comply with a 2004 antitrust ruling by the European Commission.

Microsoft also announced a collaboration and "intellectual property assurance" deal with Turbolicom Inc. last week — the latest in a series of controversial agreements that has split the Linux camp between vendors that have agreed to terms and others that have said they aren't interested in doing so.

Nobody thinks Microsoft has dis-

*Continued on page 20*





SonicWALL TZ 180 TotalSecure 25 Wireless

565999

TOSHIBA

Microsoft

We're there with the security solutions you need.

CDW.com 800.399.4CDW

## ■ SOFTWARE

Continued from page 18

placed IBM as the BFF — best friend forever — of open-source vendors.

King, for one, remains skeptical about Microsoft's intentions. The company "is endeavoring to be friends with customers that are purchasing heterogeneous computing solutions and using Linux," he said. "However, I'm not sure that makes them a friend of Linux." And, he noted, Microsoft's patent claims are still an issue.

But Adam Solesby, chief technology officer at StudioNow Inc., a Nashville-based start-up that is developing a Web-based video editing service for consumers and small businesses, said he isn't worried that Microsoft will go after companies like his.

The specter of the software vendor suing users "is not a realistic threat," he said. "I think we're fairly safe from that." Solesby was a longtime Microsoft customer, but his new company uses a MySQL database running on top of a homegrown version of Linux.

### SETTING A NEW TONE

Ballmer's comments about buying open-source vendors "set the right tone," blogged Matt Asay, an OSI board member and vice president of business development at Alfresco Software Inc.

"We need a bit more of this side of Ballmer: the rational side that recognizes that Microsoft needs to engage, not estrange, the open-source world," Asay added. "Now it just needs to behave in such a way that open-source companies won't blanch at the thought of being acquired by Microsoft."

**■ The specter of Microsoft suing open-source users 'is not a realistic threat,' said Adam Solesby, CTO at StudioNow. 'I think we're fairly safe from that.'**

In a blog posting that announced the OSI's approval of Microsoft's so-called shared-source licenses, Michael Tiemann, the open-source group's president, said that the software vendor had submitted the licenses under the same policies and procedures that other parties have used. "Microsoft didn't ask for special treatment and didn't receive any," wrote Tiemann, who also is vice president of open-source affairs at Linux distributor Red Hat Inc.

The Redwood City, Calif.-based OSI received nearly 400 e-mails when Microsoft first announced in late July that it planned to seek open-source certification of its licenses. But since the OSI approved the licenses, it has received "surprisingly few" messages, Tiemann said via e-mail last week, although he added that those sent thus far have all been against the decision.

Bill Hilf, general manager of Windows Server marketing and platform strategy at the software vendor, said in a statement that the OSI's decision was "a significant milestone in the progression of Microsoft's open-source strategy

and the company's ongoing commitment to participation in the open-source community." Microsoft said Hilf was on vacation and unavailable for a follow-up interview last week.

"Microsoft appears to have accepted that Linux — on servers and devices at least, if not the desktop — cannot be completely stopped," said Daniel Egger, CEO of consulting firm Open Source Risk Management Inc.

Turbolinux is the seventh Linux vendor to sign a licensing deal that includes a promise by Microsoft not to sue users over patent issues. Novell Inc. was the first last November. It was criticized by many open-source advocates, but the agreement has borne fruit for Novell, which said last month that its Linux sales grew nearly 250% year-to-year in the first three quarters of the fiscal year that ends Wednesday.

Dave Gyan, director of enterprise tools and frameworks at enterprise consulting firm Optaros Inc., claimed that such deals are a way for Microsoft "to grab some control of Linux" in order to slow its adoption by users.

The deals also could help to bolster Microsoft's patent-infringement claims — potentially posing legal risks for users of Red Hat and other Linux vendors that haven't signed agreements.

But Egger noted that Microsoft has yet to do anything more than rattle its saber at Linux vendors and users. Meanwhile, two small firms that buy and enforce patents sued Red Hat and Novell earlier this month — a development that Egger said was "inevitable," Microsoft or no Microsoft. ■

## Friend or Foe?

How close are Microsoft and Linux? A Microsoft official says the two companies are "friendly" but "not close."

Microsoft agrees not to sue Novell's Linux users in return for a share of the latter's open-source revenue. CEO Steve Ballmer claims that Linux "uses our intellectual property."

Microsoft executives assert that Linux and other open-source technologies infringe on 235 of the company's patents.

Three Linux vendors say they won't sign licensing deals similar to Novell's with Microsoft, but two others — Xandros and Linspire — agree to terms.

Microsoft submits two of its "shared-source" software licenses to the Open Source Initiative for certification.

Novell says its Linux business increased 243% in the first three quarters of its fiscal year, with more than \$100 million in sales coming through Microsoft.

The OSI approves Microsoft's licenses as a valid means of distributing open-source software. Microsoft later announces another licensing deal, with Turbolinux.

protect your company



webroot  
5111 AVENUE



Your potential. Our passion.

Microsoft

## beating the mummy. easy.



### 1. Know your hieroglyphs.

The ancient hieroglyphs speak of the pharaoh's return, and his vicious attack on a midsize enterprise IT department. How it all turns out is less clear, as the hieroglyphs got chipped and are hard to read. Sorry.

### 2. Be the Mummy's daddy.

Ancient Egyptian royalty was dynastic, meaning the pharaoh's firstborn child became the pharaoh. Disguise yourself as an older Mummy, tell the Mummy you're his grandfather, and he'll be obligated to do your bidding.



### 3. Make a torch.

The Mummy, being wrapped in dry linen, is extremely flammable. Make a torch from a rolled-up newspaper and swing it in his direction. You'll get his attention immediately and he'll quickly lurch away.



### 4. Summon the sun god Ra.

Borrow an ancient staff or a magic ankh. Speak the magic words (almost any will do) to summon the mighty power of the sun god Ra, and stand back, because Ra does not mess around once summoned.



### 5. Employee of the year.

Remember, in his day, the Mummy was a king, treated like a god, so he's a sucker for attention of any kind. Make a big deal over him, hand him a trophy (any will do, as long as it's gold), and he'll be putty in your hands.



### 6. Unwind him.

The Mummy is easy to unwind. Sit him in a swivel chair, grab his loose end, and spin. Keep him spinning, make him dizzy, and once you're done, he'll be completely exposed.

# beating hackers. easier.

---

**1. Implement Microsoft® Forefront.\***

Forefront makes defending your systems easier. It's a simple-to-use, integrated family of client, server, and edge security products (such as IAG 2007) that helps you stay ahead of your security threats more easily than ever.

For case studies, free trials, demos, and all the latest moves, visit [easyeasier.com](http://easyeasier.com)

## ■ DATA CENTERS

**T**HE FIRST warning that Pepperdine University CIO Timothy Chester had of the wildfire that would threaten the school's Malibu, Calif., campus came when the power went out in his home at 5 a.m. on Oct. 21.

Chester lives on campus and heard his backup power systems switching on that Sunday morning. He quickly headed to Pepperdine's data center, and as he drove, he could see light from the fire — one of the many blazes that ravaged parts of Southern California last week — on the other side of a ridge.

Within hours, brush fires came within 100 feet of the data center. To ensure that the data was protected, Chester and a half-dozen IT staffers who had been paged to come to work put a well-rehearsed contingency plan into effect.

Pepperdine sends its backup tapes to Iron Mountain Inc. for storage. In addition, copies of the latest tape backups were placed in a fireproof safe. The school's ERP applications were shut down as a precaution, and the hard drives were removed and safely stored.

Chester said it took just 35 minutes to do all of that work, which was completed before 8 a.m. As the day wore on, firefighters managed to keep the flames away from the data center, and the facility never went offline. But it was important to be prepared for the worst, according to Chester.

"The whole purpose of planning," he said, "is to make sure you've always got options — so that when you find yourself in a situation, you're familiar with what those options are, as opposed to having to think

The whole purpose of planning is to make sure you've always got options — so that when you find yourself in a situation, you're familiar with what those options are.

# IT Answers Call in California Wildfires

Tech execs put backup plans and new systems into action to help cope with massive blazes.

By Patrick Thibodeau

them through with very little response time."

In San Diego, massive wildfires burning in and around the city posed a real-world test for technologies that the municipal government had recently installed,

including a Web-based system for coordinating emergency response operations and a Reverse 911 system for sending alerts to residents.

Matt McGarvey, San Diego's CIO, said last Wednesday that the new

technologies were making a difference in fighting the fires and getting people out of harm's way.

The Reverse 911 system, in particular, was "a real lifesaver during this," said McGarvey, who added that it proved to be "very effective in getting the word out" about the fires.


The city announced the installation of the Reverse 911 system just last month. It can deliver as many as 240,000 recorded messages per hour to households and businesses, using databases of phone numbers from AT&T Inc. along with geographic information system (GIS) mapping capabilities.

The wildfires were also the first major test of a Web-based information management system that was installed last year. The collaboration technology, developed by ESI Acquisition Inc., works similarly to a message board — enabling multiple users to put updates about events. The system can also be used to share files, such as GIS maps of burn and evacuation areas.

The ability to rapidly exchange information gave the city's emergency response coordinators "a lot more situational awareness" than e-mail alone would have, McGarvey said.

But he added that the new system has also created some challenges. Last Tuesday night, a posting erroneously indicated that one of the fires had spread much farther west than expected. McGarvey said the incorrect information prompted city workers to begin preparing for a situation that didn't actually exist.

What's needed, he added, are good processes to minimize the chances of bad information being put to use. ■



For you, it's about protecting critical systems  
without getting a PhD in engineering.

For us, it's about making sure you don't need one.

Power and cooling have become critical to effective IT management. But do you really need to know how to convert kilowatts to BTUs, or understand how resonant converter technology increases UPS efficiency?

With a network of local representatives that average more than 20 years of experience, Emerson Network Power and its Liebert power and cooling technologies make it easy to create a flexible IT infrastructure that delivers high availability and low cost of ownership. Download our white paper, *Five Technologies Simplifying Infrastructure Management*, and discover how Liebert technologies can make your job easier, at [experts.liebert.com](http://experts.liebert.com).

#### Liebert expertise

Emerson Network Power is the global leader in power and cooling technology.

**EMERSON**  
Network Power

Emerson, the Emerson logo, and Emerson Network Power are trademarks of Emerson Electric Co. or one of its affiliated companies. ©2007 Emerson Electric Co.

**EMERSON. CONSIDER IT SOLVED.™**

# On the Mark

HOT TRENDS ■ NEW PRODUCT NEWS ■ INDUSTRY BUZZ BY MARK HALL



## Get Serious About Info Integrity

**M**ADHAVAN NAYAR isn't surprised that 58% of the 653 members of Financial Executives International who responded to its 2007 survey said their "most pervasive critical technology concern" is information integrity. The CEO of Infogix Inc. in Naperville, Ill., says the top financial executives at large companies understand that "the integrity of information cannot be taken for granted." You'd think IT would have

assuaged that concern years ago with sleek systems that run 24/7 and track every cent, incoming and outgoing. But you'd be wrong. Nayar points to several areas where IT puts data integrity at risk, such as ill-conceived or widely ignored change

policies for equipment and software. Plus, he notes, many companies have islands of incomplete or isolated information and use lousy data-conversion techniques. Add in IT complexity and security concerns, and it's little wonder that CFOs are

worried despite the armies of auditors they command. As Nayar notes, "Auditing is obsolete." He wants the

entire industry to go beyond it to address the problem. He suggests formulating rigorous standards to manage information, teaching information integrity strategies in schools and offering certification in that area. And of course, CIOs need to make information integrity their highest priority. Nayar thinks that if they do, they'll have strong support from their CFOs.

### Secure All Code

Most modern software development shops use sophisticated methods and products to discover security holes in their code. For some time, Fortify Software Inc.'s Source Code Analyzer has been one of those tools, helping all manner of programmers who use a variety of integrated development environments, operating systems and languages. The next version, due the first week of Decem-

ber, looks forward by adding ultrahigh PHP and JavaScript support, but it also looks backward at the antiquated source code running in your data center. According to Barmak Meftah, senior vice president of products and services at Palo Alto, Calif.-based Fortify, Source Code Analyzer 5.0 will include support for Cobol, Visual Basic and Active Server Pages. He notes that while .Net (which Fortify supports) is tops today among Microsoft users for development, most companies still have plenty of Visual Basic scripts running in their data centers, and some organizations continue to write Visual Basic programs. Meanwhile, Active Server Pages remain littered on Web servers throughout the Internet. And we all know that Cobol programs will never, ever disappear. Fortify's tool starts at \$1,200 per developer.

### Cozy Up to Your ISP

Corporate networks must fend for themselves against malware attacks. But Steve Bannerman, vice president of marketing and product management at Narus Inc. in Mountain View, Calif., believes that in the near future, you'll work hand in glove with your Internet service provider on security issues. He says this, in part, because his company's Insight Secure Suite, now used by ISPs to analyze traffic

behavior on massive global networks, may soon have hooks behind your firewall to correlate potential malware activity on LANs with similar behavior elsewhere online. By combining the data from companies and ISPs, Bannerman suggests,

IT departments could vastly improve their security posture. Though Bannerman thinks it's inevitable that this confluence of security systems will take place, he's vague as to how and when it will happen. ■



**Nayar:** Information integrity should be a CIO's top priority.



**Bannerman** expects ISP and corporate security systems to be integrated in the future.



**Don't overlook security holes in old apps, warns Meftah.**



# SHARP.

It's more than an MFP. It's a portal to seamless integration.



## The MX-Series with Sharp OSA™ technology.

The MX-Series is your portal to a world of information. Sharp OSA technology allows you to integrate and access your back end systems right from the MFP's large LCD touch screen. It even lets you customize your MFP to maximize your IT investments by providing new integrations and usability. No wonder Sharp MFPs won the 2006 BCI Color Copier Line of the Year, and the IT-friendly award. The MX-Series is more than a multifunction product, it's a multifunction portal. To learn how you can seamlessly integrate Sharp OSA technology into your network, visit [sharpusa.com/documents](http://sharpusa.com/documents).

WORK WITHOUT LIMITS





## ■ THE GRILL

# Grady Booch

**IBM Rational's 'free radical' talks about the enduring difficulties of software development, his advocacy of open source and Second Life, and his license to kill.**

## Dossier

**Name:** Grady Booch

**Title:** Chief scientist, IBM's Rational Software Corp. unit

**Location:** Littleton, Colo.

**Favorite Web site:**  
[www.crockandillers.com](http://www.crockandillers.com)

**Favorite quote:** "She said she usually cried at least once every day, not because she was sad, but because the world was so beautiful and life was so short." — Brian Andreas

**Favorite technology he didn't invent and IBM doesn't sell:**  
"The Macintosh. It is a beautiful piece of hardware."

**Hobbies:** Reading, playing harp, travelling and kayaking

**Favorite vice:** Chocolate

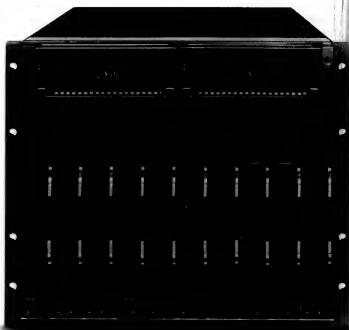
*Grady Booch is chief scientist at IBM's Rational Software Corp. unit and an IBM fellow who also holds the title "free radical." His software development approach and the Unified Modeling Language, which he helped create, have been used to build the software that runs pacemakers, avionics in certain large airliners, antilock brake systems, and financial trading systems in the U.S., Europe and Asia.*

**How would you characterize the state of software development today?** Software has been and will remain fundamentally hard. In every era, we find that there is a certain level of complexity we face. Today, a typical system tends to be continuously evolving. You never turn it off, [and] it tends to be distributed, multipatform. That is a very different set of problems and forces than we faced five years ago.

Traditionally — we're talking a few decades ago — you could think of software as something that IT guys did, and nobody else worried about it. Today, our civilization relies upon software.

All of a sudden, you wake up and say, "I can't live without my cell phone." We, as software developers, build systems of incredible complexity, and yet our end

*Continued on page 30*



## The Industry's Most Open, Versatile Enterprise Blade Platform

The Sun Blade™ 6000 system delivers the fastest performance, ease of scalability and energy efficiency—and features UltraSPARC®, AMD Opteron®, and Intel® Xeon® processors. Run any major operating system anywhere in the datacenter, all with the server that's revolutionized the blade category.

For 25% off a Sun Blade Starter Kit or for information on a free 60-day trial, go to [sun.com/getsunblades](http://sun.com/getsunblades).



ULTRASPARC

solaris



Call your local Sun Sales Representative, Sun Authorized Partner or (888) 526-9362.  
© 2007 Sun Microsystems, Inc. All rights reserved. All logos and trademarks are property of their respective owners.  
Benchmark information can be found at [sun.com/servers/blades/6000/benchmarks](http://sun.com/servers/blades/6000/benchmarks).



**“The OS wars are largely over. Let’s decide on a common platform. Therefore, Linux makes sense.”**

*Continued from page 28*  
users don’t want to see that software.

Most of the interesting systems today are no longer just systems by themselves, but they tend to be systems of systems. It is the set of them working in harmony. We don’t have a lot of good processes or analysis tools to really understand how those things behave. Many systems look dangerously fragile. The bad news is they are fragile. This is another force that will lead us to the next era of how we build software systems.

**What have been the biggest advantages**

from IBM’s 2003 acquisition of Rational, and what are some of the drawbacks about being part of IBM? I’ve got much cooler business cards.

Now, we’re dealing with an organization that is two orders of magnitude larger and operating in businesses that [Rational] had no traction in.

It is really cool working with brilliant people. When the acquisition was first consummated, one of my first tasks was to manage the IBM/Rational research relationship. There are some really fascinating things going on there, dealing with static and dynamic analysis and collaboration. We have a team now looking at using virtual worlds for doing distributed software development.

When we have an organization that is 100 times larger, there is a little bit more bureaucracy. [IBM asked me] to destroy bureaucracy. I have a license to kill, so to speak. IBM is a target-rich environment.

**What is your take on the effects of increasingly popular open-source projects like Eclipse on programming?** Consider where Rational was prior to Eclipse. We had to split our loyalties because there was a variety of IDEs [integrated development environments] that were interesting in the marketplace [and] none had reached critical mass. We worked with IBM to help make Eclipse happen. Now, all of a sudden, Eclipse was the de facto standard. There is no value added in Rational building an IDE.

[Open-source] projects that have really gotten traction represent a codification of things that are commodities. The OS wars are largely over. Let’s decide on a common platform. Therefore, Linux makes sense.

Open source represents an economic process where you find some applications you can’t make money on, and it makes sense for us as an industry to pool our resources.

**You mentioned that you have a Microsoft Windows-less office. What computers do you use? A Macintosh is my main machine. I carry around a Palm TX as well. I am not a “CrackBerry” addict, because I get too much e-mail as it is. In [my home office], a TI goes to a Linux appliance, which is my hard-**

ware firewall. I’ve got a 2TB file server for backup. We have 17 IP addresses inside [the house]. When I travel, I can look at the security cameras in my house and look in on the cats.

**You appeared at the most recent Rational user conference as a Second Life avatar, and you have given some lectures in Second Life. What attracts you to Second Life, and what do you make of some of the more recent defections by companies that have said there are just not enough people in Second Life to make it worthwhile to have a presence there?** Virtual worlds are a force multiplier for me. I am under such demand to travel. In my office, I have a videoconferencing system that is still not good enough. It is still just talking heads. I have been able to expand my reach by using Second Life where I could not justify the time and expense to travel.

Maybe those companies [that have left Second Life] got in there for the wrong reasons. Why do I want to go to Store X in a virtual world?

IBM has 50 or so islands that we own [in Second Life]. We’ve derived business value by using it internally. I can look at the lectures I have done and say, “I have saved IBM money.”

**If you were back in the U.S. Air Force Academy [where Booch earned his bachelor’s degree in 1977] today, what would you choose to study?** I would want to be an astronaut. The economics of that business are so different now. It used to be that NASA and the government had the stronghold on space travel. The generation after us — they’re probably going to go to space. Good for them.

**What technology development has surprised you the most in the past decade?** I am not easily surprised. I will honestly say I am not sure I have been surprised.

I read a heap of history. I am so attuned to the social and historical things that have gone on that I see virtually everything that has happened as evolutionary rather than revolutionary.

I haven’t seen any revolutions. Heck, I had my first e-mail address in 1979. There was a printed document with everyone’s e-mail address [in the world].

— Interview by Heather Havenstein



# DISCOVER INNOVATION

BURIED BENEATH MANILA FOLDERS FILLED WITH MISFILED SOFTWARE LICENSES.

**Discover ZENworks® Asset Management from Novell®. Infrastructure for Innovation.™**

Not only does ZENworks® Asset Management track and deliver the most comprehensive view of your IT assets as they multiply, it pays for itself in no time. From asset, patch, desktop and server management to personality migration and software packaging, ZENworks® systems management solutions automatically deploy, manage and maintain all of your IT resources across your entire enterprise – on and offline. So you can reduce IT effort and costs and put your resources to better use. Just one more piece of the Open Enterprise: all the infrastructure it takes to innovate.

Innovate today at [www.novell.com/manage](http://www.novell.com/manage)

**Novell.**

This Is Your Open Enterprise.™

Copyright ©2007 Novell, Inc. All rights reserved. Novell and the Novell logo are registered trademarks and This Is Your Open Enterprise and Infrastructure for Innovation are trademarks of Novell, Inc. in the United States and other countries. All other third-party trademarks are the property of their respective owners.

■ OPINION

Thornton A. May

# All of IT's Spinning Plates Are Falling

**M**ANY NEW CIOs slam into an ugly truth at about one month in: The job is too big. There's too much to know and not enough time to learn it. There's too much to do and not enough hands to plug all the holes in the dike. There are too many relationships to be managed and not enough days in the week

to manage them.

Thus, we have the recurring sad saga of plate-spinning IT leaders desperately trying to keep enough crockery from smashing into bits to preserve a modicum of job security. So intent are they on this balancing act that they have no way to see that it's doomed.

That's because the three plates that give them the most trouble are already broken. And yet they play a vital role in the equilibrium of all the others. If you could properly repair them, you could spin them innovatively. This would simplify your life, reduce your workload and set you up for a gratifying, less frenzied career, while adding substantive value to the enterprise.

What's on these plates? Three challenges we've

never put behind us: how to sell IT, how to develop a world-class staff, and how to communicate activity-based IT costs.

I first encountered all this broken crockery years ago during a boot camp for new CIOs. In Stage 1, Harvard Business School types told the newbies what they could expect. After the newbies had gained some on-the-job experience, they reconvened for Stage 2 to share what they had learned. Stage 3 was to be a discussion of best practices, but we never got that far. Midway through Stage

2, as we listened to stories from the front lines, a hypothesis started to emerge: There was something systematically "off" about the way IT was being done.

Since then, I've given a lot of thought to those three big challenges and how to restore some equilibrium to IT. These are my conclusions:

**We shouldn't be trying to sell IT at all.** Customers should be clamoring for our help. At this point, IT's ability to creatively solve problems should make every line-of-business leader see that they would be crazy not to spend time with us. Customers should be able to tell us which off-the-shelf infrastructure, data and storage components we could combine to give them what they need.

**We are only as good as the people in our IT organi-**

**zations.** Most of us, nonetheless, have primitive development programs in place for senior IT staff. Fix this or fail — it's that simple. Your good people will leave, and you won't be able to afford the skills you'll need to buy on the spot market.

**We need a new way to account for what we spend and how we enable the future.** Let's be honest with ourselves — many executives don't know what we do. This is unsustainable ignorance that has given rise to a Dickensian IT funding model: Please, sir, may I have some more? It is almost unheard of to be able to fund infrastructure investment — unless a law like Sarbanes-Oxley makes it unavoidable. It is similarly extraordinary for enterprises to fund high-risk technology ventures. Thus, the two pillars of competitive differentiation — innovation and infrastructure — are outside the purview of traditional IT funding models. This is wrong, and it must change.

What are you waiting for? That crockery isn't going to repair itself. ■

*Thornton A. May is a longtime industry observer, management consultant and commentator. You can contact him at [thorntonamay@aol.com](mailto:thorntonamay@aol.com).*

**■ New CIOs soon see that something is systematically 'off' in the way IT is done.**

Storage Networking World proudly announced the results of the "Best Practices in Storage" Awards Program. This program honors IT users "Best Practice" case studies selected from a field of qualified finalists.

*Honoree Award Recipients in each of the following categories were recognized during the Gala Awards ceremony at Storage Networking World in Dallas, Texas, on October 17th.*



**Alston & Bird, LLP, Atlanta, Georgia**

**Memorial Sloan-Kettering Cancer Center, New York, New York**

**US Army Corps of Engineers, Huntington District, Huntington, West Virginia**

**Raymond James Financial, St. Petersburg, Florida**



# Ethics in IT

2 COMPUTERWORLD



# Dark secrets, ugly truths. And little guidance. BY TAM HARBERT

**What Bryan found on an executive's computer** six years ago still weighs heavily on his mind. He's particularly troubled that the man he discovered using a company PC to view pornography of Asian women and of children was subsequently promoted and moved to China to run a manufacturing plant. ■ "To this day, I regret not taking that stuff to the FBI," says Bryan. ■ It happened when Bryan, who asked that his last name not be published, was IT director at the U.S. division of a \$500 million multinational corporation based in Germany.

The company's Internet usage policy, which Bryan helped develop with input from senior management, prohibited the use of company computers to access pornographic or adult-content Web sites. One of Bryan's duties was to monitor employee Web surfing using products from SurfControl PLC and report any violations to management.

Bryan knew that the executive, who was a level above him in another department, was popular within both the U.S. division and the German parent. But when the tools turned up dozens of pornographic Web sites visited by the exec's computer, Bryan followed the policy. "That's what it's there for. I wasn't going to get into trouble for following the policy," he reasoned.

So he went to his manager with copies of the Web logs (which he still has in his possession and made available to *Computerworld* for verification).

## POWER AND RESPONSIBILITY

Bryan's case is a good example of the ethical dilemmas that IT workers may encounter on the job. IT employees have privileged access to digital information, both personal and professional, throughout the company, and they have the technical prowess to manipulate that information.

That gives them both the power and responsibility to monitor and report employees who break company rules. IT professionals may also uncover evidence that a co-worker is, say, embe-

zling funds, or they could be tempted to peek at private salary information or personal e-mails. But there's little guidance on what to do in these uncomfortable situations.

In the case of the porn-viewing execu-

In the spring of this year, security vendor Cyber-Ark Software Ltd. conducted a survey in which one-third of 200 IT employees who responded admitted using their administrative passwords to snoop through company systems and peek at confidential information such as salary data. A poll of more than 16,000 U.S. IT practitioners conducted in June 2007 by the Ponemon Institute returned these equally disturbing findings:

■ 62% of IT employees polled said they had accessed another person's computer without permission.

■ 50% said they had read confidential or sensitive information without a legitimate reason.

■ 42% said they had knowingly violated their company's privacy, security or IT policies.

■ 32% of the respondents were at or above the manager level, and the average experience level was 8.4 years.

- TAM HARBERT

tive, Bryan didn't get into trouble, but neither did the executive, who came up with "a pretty outlandish explanation" that the company accepted, Bryan says. He considered going to the FBI, but the Internet bubble had just burst, and jobs were hard to come by. "It was a tough choice," Bryan says. "But I had a family to feed."

In theory, ethical behavior is governed by laws, corporate policy, professional ethics and personal judgment. But as IT pros discover all the time, finding a way through that thorny thicket can be one of the most daunting challenges in their careers.

Perhaps it would ease Bryan's conscience to know that he did just what labor attorney Linn Hynds, a senior partner at Honigman Miller Schwartz and Cohn LLP, would have advised in his case. "Let the company handle it," she says. "Make sure you report violations to the right person in your company, and show them the evidence. After that, leave it to the people who are supposed to be making that decision."

## PICKING UP THE SLACK

Ideally, corporate policy takes over where the law stops, governing workplace ethics to clear up gray areas and remove personal judgment from the equation as much as possible.

"If you don't set out your policy and your guidelines, if you don't make sure that people know what they are and understand them, you're in no position to hold [workers] accountable," says John Reece, a former CIO at the Internal Revenue Service and Time Warner Inc. Having clear ethical guidelines also lets employees off the hook emotionally if the person they discover breaking the policy is a friend, a direct report or a supervisor, says Reece, who is now head of consultancy John C. Reece and Associates LLC.

That policy should warn all employees that their PCs are company property, and therefore any information on them is fair game for investigation, says Art Crane, principal of Capstone

## ■ COVER STORY

Services, a human resources consultancy. It should provide clear instructions on what to do when employees encounter a violation of the policy, including guidance on how to bring it up the chain of command. It should also have whistle-blower provisions that protect employees from retaliation.

But many corporate policies are ill defined, fail to keep up with new technologies and are poorly communicated to the IT department.

That's partly because ethics policies are typically defined by an organization's lawyers or regulatory compliance staff, says Larry Ponemon, chairman of Ponemon Institute LLC, a research company that specializes in privacy and data protection. "These folks may not fully understand or respect the complexities that IT-related ethical issues create," he notes.

### TROUBLES, PAST AND FUTURE

Organizations that have policies in place often focus on areas where they had trouble in the past or emphasize whatever they are most worried about. When Reece was at the IRS, for example, the biggest emphasis was on protecting the confidentiality of taxpayer information, he says.

At the U.S. Department of Defense, policies usually emphasize procurement rules, notes Stephen Northcutt, president of the SANS Technology Institute and author of *IT Ethics Handbook: Right and Wrong for IT Professionals* (Syngress, 2004).

Adding to the complexity, an organization that depends on highly skilled workers might be more lenient. When Northcutt worked in IT security at the Naval Surface Warfare Center in Virginia, it was a rarefied atmosphere of highly sought-after Ph.D.s. "I was told pretty clearly that if I made a whole lot of Ph.D.s very unhappy so that they left, the organization wouldn't need me anymore," says Northcutt.

Of course, that wasn't written in any policy manual, so Northcutt had to read between the lines. "The way I interpreted it was: Child pornography, turn that in," he says. "But if the leading mathematician wants to download some pictures of naked girls, they didn't want to hear from me."

Northcutt says that he did find child

Some computing groups have developed, or are working to establish, ethics codes for IT.

The Association for Computing Machinery and the Association of Information Technology Professionals, for example, have adopted generalized ethics codes. And the Institute of Electrical and Electronics Engineers Inc. has both a general code of ethics and a software engineering code of ethics.

The following certification groups are currently working together to draw up a code of ethics for IT security professionals:

- Global Information Assurance Certification
- Information Systems Audit and Control Association
- International Information Systems Security Certifications Consortium Inc.
- Information Systems Security Association Inc.
- ASIS International

If a universal code is adopted, the next step would be standards of practice that would serve as teeth behind the code — a sort of American Bar Association for IT. If an IT worker violated the standards, in theory he might be "disbarred" from the profession.

— TAM HARBERT

porn on two occasions and that both events led to prosecution. As for other offensive photos that he encountered, Northcutt pointed out to his superiors that there might be a legal liability, citing a Supreme Court decision that found that similar pictures at a military installation indicated a pervasive atmosphere of sexual harassment. That did the trick. "Once they saw that law was involved, they were more willing to change culture and policy," Northcutt says.

When policies aren't clear, ethical decisions are left to the judgment of IT employees, which varies by person and

the particular circumstances.

For example, Gary, a director of technology at a nonprofit organization in the Midwest, flat-out refused when the assistant CEO wanted to use a mailing list that a new employee had stolen from her former employer. But Gary, who asked that his last name not be used, didn't stop his boss from installing unlicensed software on PCs for a short time, though he refused to do it himself. "The question is, how much was it really going to hurt anybody? We were still going to have 99.5% compliant software. I was OK with that." He says he uninstalled it, with his boss's approval, as soon as he could — about a week later.

Northcutt argues that the IT profession should have two things that professions such as law or accounting have had for years: a code of ethics and standards of practice. That way, when company policy is nonexistent or unclear, IT professionals still have standards to fall back on.

That might be useful for Tim, a systems administrator who works at a Fortune 500 agricultural business. When Tim, who asked that his last name not be published, happened across an unencrypted spreadsheet of salary information on a manager's PC, he copied it. He didn't share the information with anyone or use it to his advantage. It was an impulsive act, he admits, that stemmed from frustration with his employer. "I didn't take it for nefarious reasons; I just took it to prove that I could," he says.

Tim's actions point to a disturbing trend: IT workers justifying their ethically questionable behavior. That path can end in criminal activity, says fraud investigator Chuck Martell. "We started seeing a few cases about seven or eight years ago," says Martell, managing director of investigative services at Veritas Global LLC, a security firm in Southfield, Mich. "Now we're [investigating] a tremendous amount of them."

Whichever side of the line they're on, IT workers will — for now at least — continue to muddle through ethical dilemmas on their own and wrestle with their consciences afterward. ■ Harbert is a Washington-based freelance journalist specializing in technology, business and public policy.

**\_INFRASTRUCTURE LOG**

**\_DAY 69:** All we need is one specific piece of info. Gil almost had it, but his hand cramped. How are we supposed to find trusted business information when these massive volumes of conflicting info keep pouring in?

Gil just grabbed a stuffed panda.

**\_DAY 71:** The answer: IBM solutions for leveraging information. Now we can cleanse info and standardize source data fields for consistency and accuracy. I can create a single, accurate and unified record of info across our source systems. Everyone can make better decisions.

Just in time—I think we ran out of quarters.

**Information Management**

IBM. The information and Cooperative Advantage within paper.  
**IBM.COM/IBM/BLACKCONTROL/ACCURATE**

**B**ANANAS.COM was caught off guard last year. The musical instrument sales site suffered a data breach that was followed swiftly by a double whammy of consequences.

Roughly 250 customer records were exposed, likely after an individual stole an administrative password by accessing systems remotely. (Site owner Bananas at Large has since put additional security procedures in place to prevent a recurrence.)

After the breach, the 25-person company scrambled to comply with the many state laws requiring customer notification. It alerted only the affected customers, either by mail or e-mail. Because its own resources were limited, Bananas referred victims to large credit-reporting agencies to monitor for subsequent financial damage from the breach.

Despite its efforts, Bananas apparently failed to meet all the various state notification requirements and was subsequently slammed with fines and fees by major credit companies. "They did not specifically provide a reason for the fees other than saying that we had not met all of the terms in our agreements with them," says Bananas President J.D. Sharp. "They'll fine the pants off you," he adds.

The Bananas experience provides a hint of the turmoil a company can face as it tries to cope with disclosure requirements in the wake of a data breach. With more than 30 state data-disclosure notification laws now on

# WHO YOU GONNA CALL?

After a data breach, navigating the tangle of state notification laws can be exasperating — and costly.

By Jennifer McAdams



the books, officials at many companies doing interstate business are hoping that cohesive national legislation will smooth out the nuances among differing statutes. But so far, federal legislation that would unify corporate disclosure rules is merely inching forward.

With no uniform legislative relief in sight, corporations sometimes resort to blanketing customers with notifications after a breach — lobbying disclosures even in those states that don't require them, simply to cover all bases. But this practice can have "un-

intended detrimental consequences," says Robert Scott, managing partner at the Dallas office of Scott & Scott LLP, a law and IT services firm.

Studies have shown that most customers would take their business elsewhere if they received two or more security breach notices, says Scott. "When faced with a security incident, businesses should carefully determine who has been impacted, review their breach notification laws in the relevant states, and devise a breach notification strategy that satisfies the legal obligations and properly notifies affected consumers," he says.

Many organizations are integrating the efforts of IT, Legal and other departments to come up with strategies to comply with state regulations and ultimately weather worst-case scenarios. Others are stepping up encryption efforts, since many states don't force companies to disclose security incidents if the compromised data was encrypted.

Companies as varied as Microsoft Corp., Bank of America Corp. and Verizon Communications Inc. have all taken steps to address the issue with specific teams and processes to handle disclosure in the event of a breach. In large companies, disclosure activity often involves multiple jurisdictions, such as the offices of the chief auditor, the chief compliance officer, the chief privacy officer and the chief technology officer or the CIO, says Joseph Rosenbaum, a partner at New York law firm Reed Smith LLP.

The lack of a central authority can create problems. "Where responsibilities are partitioned across a diverse set of functions, each of

*Continued on page 40*

...INFRASTRUCTURE LOG

...DAY 89: Our power and cooling costs are out of control. We spend the bulk of our IT budget just keeping the data center cool. I told Gil we need to go green in a big way.

...DAY 91: Gil took us green...kelly green, to be exact.

...DAY 93: You don't go green with paint. You go green with IBM Cool Blue™ technology and energy management services. Advanced server and storage virtualization can help consolidate our boxes to lower energy usage. And the new IBM POWER6™ systems help us use less energy doing the same amount of work.<sup>1</sup>

...Our data center will be green now. And painted white.

IBM

Learn how to make your data center more efficient:  
[IBM.COM/TAKEBACKCONTROL/GREEN](http://IBM.COM/TAKEBACKCONTROL/GREEN)

<sup>1</sup> Requires Advanced Power Virtualization, which is optional and available at an additional charge. IBM, the IBM logo, Cool Blue, POWER6 and Take Back Control are trademarks or registered trademarks of International Business Machines Corporation in the United States and/or other countries. ©2007 IBM Corporation. All rights reserved.

# A Smorgasbord of State Requirements

*Continued from page 38*  
fice may have the ability to provide greater focus on individual issues, but the challenge of coordination across multiple disciplines is more difficult," Rosebaum notes.

Moreover, it takes corporate vigilance to keep pace with so many differences in state disclosure laws — variations that start with notification triggers. Some states require notification only if a breach is likely to harm individuals. Others force companies to cast a wider net.

"For some states, any breach that compromises the security or confidentiality of covered personal information triggers the obligation to notify the affected individuals," notes Thomas Smedinghoff, a partner at Chicago law firm Wildman, Harrold.

The timing on triggers also varies. "Some states require that consumers be notified when their information is lost. Other states will allow the breached entity to perform some analysis to determine the degree of risk to consumers," says Jorge Rey, information security and audit manager at independent accounting firm Kaufman Rossin Co. in Miami.

Notification triggers aren't the only differences among state laws. For example, although one state might allow exemptions for compromises of encrypted data, "another state without such an exception would require a notice, even though the data was unreadable," says Geoff Gray, a privacy and data security consultant at the Cyber Security Industry Alliance in Arlington, Va.

And as Bananas.com learned, the high cost of notification compliance doesn't stop with the resources it takes to coordi-

18 states and Washington, D.C. require notification of any breach.

■ 20 states require notification only when risk of harm is present.

38 states provide for or emphasize if compromised data was encrypted.

24 states require notification of government officers or agencies such as the state attorney general, the consumer protection board and the state officer of cybersecurity.

Alabama		Montana	■
Alaska		Nebraska	
Arizona	■	Nevada	
Arkansas	■	New Hampshire	
California		New Jersey	■
Colorado		New Mexico	
Connecticut	■	New York	
Delaware		North Carolina	■
Florida	■	North Dakota	
Georgia		Ohio	■
Hawaii		Oklahoma	
Idaho		Oregon	■
Illinois		Pennsylvania	■
Indiana		Rhode Island	■
Iowa		South Carolina	
Kansas	■	South Dakota	
Kentucky		Tennessee	
Louisiana	■	Texas	
Maine		Utah	■
Maryland	■	Vermont	■
Massachusetts		Virginia	
Michigan	■	Washington	■
Minnesota		West Virginia	
Mississippi		Wisconsin	■
Missouri		Wyoming	■

nate a response and alert customers. "Enterprises may face potential litigation and fines," says Scott.

## DAMAGE CONTROL

The team at ChoicePoint Inc. knows all too well the complexities of navigating state disclosure laws. After a data breach two years ago, the Alpharetta, Ga.-based company dashed out notices to about 163,000 people. "We expanded upon legislation that only existed at the time in California and opted to make nationwide notification of potentially affected consumers, without any state or federal law requiring us to do so," says Christopher Cwalina, ChoicePoint's assis-

tant general counsel and vice president for compliance.

The company's woes made headlines, but the incident also prompted it to codify breach management plans and assemble a response team. Its policy now "lists all enacted state data breach notification laws, as well as the unique requirements of each law," Cwalina says.

In addition, ChoicePoint leans heavily on its government affairs team and legal department to track the laws and monitor compliance in the event of a breach.

Large or small, companies should plan ahead to lessen the burden of notification in the event of a data breach. "Encryption is the single

most effective way to avoid the negative business impact of data breaches," says Scott. "Under most privacy statutes, if you have encryption, you get a free pass from notification."

But with or without encryption, it's wise to devise a strategy for disclosure in the event of a breach. Companies should have a team in place that can assess the scope of damage and meet the demands of state regulators and credit card companies.

The goal, says Cwalina, is to "act quickly, investigate thoroughly and notify promptly." ■

**McAdams** is a freelance writer in Vienna, Va. Contact her at [JMTechWriter@aol.com](mailto:JMTechWriter@aol.com).



## ■ SECURITY

Continued from page 38  
fice may have the ability to provide greater focus on individual issues, but the challenge of coordination across multiple disciplines is more difficult," Rosebaum notes.

Moreover, it takes corporate vigilance to keep pace with so many differences in state disclosure laws — variations that start with notification triggers. Some states require notification only if a breach is likely to harm individuals. Others force companies to cast a wider net.

"For some states, any breach that compromises the security or confidentiality of covered personal information triggers the obligation to notify the affected individuals," notes Thomas Smedinghoff, a partner at Chicago law firm Wildman, Harrold.

The timing on triggers also varies. "Some states require that consumers be notified when their information is lost. Other states will allow the breached entity to perform some analysis to determine the degree of risk to consumers," says Jorge Rey, information security and audit manager at independent accounting firm Kaufman Rossin Co. in Miami.

Notification triggers aren't the only differences among state laws. For example, although one state might allow exemptions for compromises of encrypted data, "another state without such an exception would require a notice, even though the data was unreadable," says Geoff Gray, a privacy and data security consultant at the Cyber Security Industry Alliance in Arlington, Va.

And as Bananas.com learned, the high cost of notification compliance doesn't stop with the resources it takes to coordi-

nate a response and alert customers. "Enterprises may face potential litigation and fines," says Scott.

### DAMAGE CONTROL

The team at ChoicePoint Inc. knows all too well the complexities of navigating state disclosure laws. After a data breach two years ago, the Alpharetta, Ga.-based company dashed out notices to about 163,000 people. "We expanded upon legislation that only existed at the time in California and opted to make nationwide notification of potentially affected consumers, without any state or federal law requiring us to do so," says Christopher Cwalina, ChoicePoint's assis-

tant general counsel and vice president for compliance.

The company's woes made headlines, but the incident also prompted it to codify breach management plans and assemble a response team. Its policy now "lists all enacted state data breach notification laws, as well as the unique requirements of each law," Cwalina says.

In addition, ChoicePoint leans heavily on its government affairs team and legal department to track the laws and monitor compliance in the event of a breach.

Large or small, companies should plan ahead to lessen the burden of notification in the event of a data breach. "Encryption is the single

most effective way to avoid the negative business impact of data breaches," says Scott. "Under most privacy statutes, if you have encryption, you get a free pass from notification."

But with or without encryption, it's wise to devise a strategy for disclosure in the event of a breach. Companies should have a team in place that can assess the scope of damage and meet the demands of state regulators and credit card companies.

The goal, says Cwalina, is to "act quickly, investigate thoroughly and notify promptly." ■

**McAdams** is a freelance writer in Vienna, Va. Contact her at [JMTechWriter@aol.com](mailto:JMTechWriter@aol.com).

Alaska

Alabama

Arizona

Arkansas

California

Colorado

Connecticut

Delaware

Florida

Georgia

Hawaii

Idaho

Illinois

Indiana

Iowa

Kansas

Kentucky

Louisiana

Maine

Maryland

Massachusetts

Michigan

Minnesota

Mississippi

Missouri

Montana

Nebraska

Nevada

New Hampshire

New Jersey

New Mexico

New York

North Carolina

North Dakota

Ohio

Oklahoma

Oregon

Pennsylvania

Rhode Island

South Carolina

South Dakota

Tennessee

Texas

Utah

Vermont

Virginia

Washington

West Virginia

Wisconsin

Wyoming





IBM

\_INFRASTRUCTURE LOG

\_DAY 62: Everyone's completely overwhelmed by their desktops. People keep flipping between browser windows. The in-boxes are overflowing. So many applications. All the user interfaces are different. How is anyone supposed to collaborate when they're flooded with all this stuff? This is so frustrating. We need to get our heads above water.

\_Gill has grown gills just so he can stay on e-mail longer. Help.

# Security Issues Are Everywhere

A security manager's job is never done, but it helps if everyone in the agency has been trained to recognize trouble.

SOMETHING that arose last week shows that security is a never-ending battle, but it also demonstrates the importance of making everyone security-conscious.

The latest security lapse in my state agency was brought to my attention by the IT program manager in charge of the contract with the vendor that handles the processing of the agency's Medicaid claims. (Most of us at the agency had been blissfully ignorant of it.) Currently, he is working with the accounting department to figure out how to reduce copying and mailing costs.

The vendor in question passes those costs on to us to the tune of about \$1 million a year. I'm all for saving taxpayers money, but why does it always seem that even our cost-cutting initiatives raise our security risks?

This program manager — let's call him Pete — hadn't always been very aware of security issues, but he and I had been working together on ensuring that the appropriate language outlining our

security requirements was included in all our vendor contracts and requests for proposals. His new awareness came to the fore when he toured the state's copy and distribution center and its mailroom to see whether we could pull the copying and mailing in-house to save some money.

What Pete found was that our agency regularly sends boxes of letters containing protected health information to the state copy center to be stuffed into envelopes and then mailed by the state mailroom.

Pete has spent enough time with me lately that this process triggered security alarm bells inside his head. We're answerable to the strictures of HIPAA. Pete asked his tour guide about the copy center's security procedures and learned that there weren't any, really. Although key-

code access readers had been installed on all the doors, they had never been activated. Internal doors weren't locked, and employees moved about freely.

The boxes of letters are picked up by a state van and delivered to the copy room, where they are stacked with all the other agency requests and processed on a first-come, first-served basis. So they are transported insecurely and then left unattended in a room with lax security. I was starting to get a headache.

The copy room manager told Pete that he would be happy to comply with any security requirements we had and would be open to the idea of us giving his staff security training.

## RAISING AWARENESS

When Pete told me all this, I pulled in the HIPAA privacy officer, who asked what type of information was printed on those letters. It couldn't have been worse: Social Security numbers, names, addresses, Medicaid information. I thought we both were going to faint dead away.

## Trouble Ticket

**AT ISSUE:** Letters containing HIPAA-protected health information are being handled laxly.

**ACTION PLAN:** Raise awareness of security issues beyond the confines of this one agency.

The privacy officer then had a talk with the program manager whose department was sending these documents to the copy room. She learned that the letters containing the sensitive information were being sent out to people so they could confirm that all of their information was correct. We are now looking at whether this procedure needs to be changed.

Because the copy center and the mailroom are in two separate state agencies, we need to talk to the administrators of each agency about the need to handle our sensitive information securely. We will probably want both to sign HIPAA business-associate agreements, which would outline the agencies' responsibilities in protecting information.

And we are certainly going to have to do some training.

Who knows? Maybe a little security consciousness-raising for the copy center and mailroom staffs will lead to another security lapse being uncovered before it's too late. ■ This week's journal is written by a real security manager, "C.J. Kelly," whose name and employer have been disguised for obvious reasons. Contact her at [mjckelly@yahoo.com](mailto:mjckelly@yahoo.com).

◎ JOIN IN  
to join the discussion  
about security, go to  
[computerworld.com/  
blog/mjckelly](http://computerworld.com/blog/mjckelly)

■ Pete has spent enough time with me that security alarm bells sounded in his head.



IBM.

**Take back control of the desktops with  
IBM Lotus® Notes® and Lotus® Domino® 8.**

**Control end-user productivity** by putting the applications and tools everyone uses all in one place. An intuitive, Web-like interface means users can work more efficiently and with minimal IT support.

**Control your environment** by easily creating Web 2.0-based composite applications. Your co-workers now have a role-based work space so they can quickly adapt to their changing business needs.

**Control and enhance communications** with integrated e-mail, instant messaging, calendaring, and contact management tools that make collaboration faster and more effective.

**Control your time** with powerful desktop management tools. Now you can centrally manage deployment and upgrades. Open standards give you a flexible platform to easily develop new plug-ins.

**Control your investments** by working with your existing assets and platforms. Backward and forward compatibility means less time and money spent on new apps and on training co-workers to use them.

**Control your overflowing desktops** with IBM Lotus Notes and Domino 8 software, the new standard in desktop and collaboration environments.

Lotus

Successful  
enterprise  
architecture  
is really  
built on  
relationships.

By David  
Raths

SOMETIMES the best way to define an original IT initiative is to invent a new word. Stratactical is

the word the enterprise architects at San Mateo, Calif.-based Con-way Inc. created to describe their work.

"We use it all the time," says Maja Tibbling, lead enterprise architect at the freight transportation and logistics company. "Our team takes into account both the strategic and the tactical."

The enterprise archi-



ecture (EA) team at the Portland, Ore., offices of Con-way Enterprise Services has been together for two and a half years. When the company consolidated the IT operations of its freight and logistics divisions, CIO Jackie Barretta created a centralized EA group, believing that a team of 15 architects could develop a road map for Con-way's 700 IT employees.

The architecture had grown up informally and gradually in the freight division, and it was a challenge to justify a formal EA team to the company's leadership, Barretta recalls. "I had to explain what it leveraged," she says.

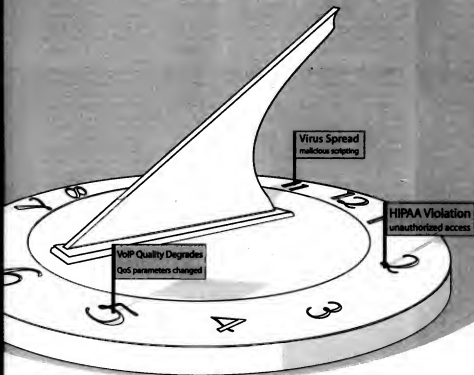
She argued that a strong EA team would be a catalyst for business growth, with its service-oriented architecture (SOA) approach reshaping how information flowed through freight service center operations.

Yet like other EA groups, the team at Con-way has struggled at times to gain

*Continued on page 46*

# The People Side of IT Architecture

# Turn back network time.



## Stop missing critical events.

For a trusted approach to problem resolution rely on the Network Instruments® GigaStor™ appliance. Everything is recorded—every packet, every protocol, every transaction for hours, days, even weeks. The unique GigaStor interface provides an effective way to go back in time to determine not only when the application went down but why.

Resolve intermittent network problems, track compliance efforts, isolate VoIP call quality issues, and more on the most complex WAN, Gigabit, and 10 GbE networks. Find out how you can turn back the clock with the GigaStor. After all, your network history shouldn't be a thing of the past.

 **GigaStor:** Get proof. Take action. Move forward.



Learn more about GigaStor. 800-566-0919  
[www.NetworkInstruments.com/Time](http://www.NetworkInstruments.com/Time)

*Continued from page 44*  
the acceptance of business units and application developers. "I felt like we weren't making progress for a while," Tibbling says.

Con-way's logistics group had experienced false starts with EA in the past. Some employees sensed that enterprise architects had an ivory-tower mentality. "It was viewed as added cost and waste," Tibbling says.

#### THEORY TO PRACTICE

How well EA teams and CIOs at companies such as Con-way bridge the gap between the theoretical and the practical is crucial to their survival, according to consultant Brenda Michelson, a former chief enterprise architect at L.L.Bean Inc. in Freeport, Maine.

EA teams were first created to rationalize what was going on in IT, she explains. Their initial work may have been as basic as coming up with approved product lists. But now architects take a more active role, often leading major initiatives such as SOA implementations. "They are more involved in substantive things — helping project teams do their jobs," Michelson says.

But there's a downside. "Historically, some have been guilty of seeing the architecture as an end, as something they create and then hand off," she adds.

For instance, EA is mandated within the federal government, so EA plans are being produced — but they aren't always used, Michelson says. Also, because some people on EA teams haven't been in a delivery role for some time, they can lose touch with the needs of teams that are delivery-focused, she says.

Michelson, now principal

of Elemental Links, an IT advisory firm in Gray, Maine, bases her consulting work on her experience at L.L.Bean, where she founded the EA group. She remembers early on hearing comments like "Oh, you're the one who writes all those white papers." But she persevered and achieved concrete results, introducing event-driven architecture and SOA initiatives. (An event-driven architecture is built to respond to change. For example, when a shopper buys an L.L.Bean shirt, the shirt changes from "inventory for sale" to "sold goods.")

#### TEAM-BUILDING

At Con-way, Barretta and her EA leaders faced the delicate task of forging an EA team from two business units, freight and logistics. Only

**“We’re not just IT geeks telling them what to do. We’re actually engaged with the business people on how to get them where they want to go.”**

**MAJIA TIBBLING, LEAD ENTERPRISE ARCHITECT, CON-WAY INC.**

freight had any architectural experience. The EA practice there had grown up organically. They had started working on projects in an ad hoc way, and as they gained trust, people began to ask them what principles should guide their work, Tibbling says.

Most of the members of the initial EA team came from freight because EA was a foreign concept to many in the logistics unit. They'd had limited experience with architects, and they considered it bad experience. They felt that EA

established boundaries and added cost to their projects without bringing enough tangible benefits.

The challenge, therefore, was to foster acceptance of EA concepts and to build trust among co-workers, says EA team manager Jeon Rezvani. "We looked for key players in logistics who were respected that we could add to our team," says Rezvani. "Communication, evangelization and constantly taking the pulse of the IT employees gradually overcame resistance."

Barretta gave certain EA projects lots of internal publicity. One such project involved an SOA approach to the logistics management system that brought a new level of sophistication, automation and process control to planning and optimizing truckload volumes. "We made very clear the role the EA team had in putting that in place," Barretta says.

Representatives from each stakeholder group are involved in architectural decision-making. For example, members of the virtual team tasked with choosing which business intelligence tool will be used company-wide are led by an EA person, but "they pull people from different application development teams to get their input on pros and cons of each application," Barretta says.

"We let them influence road maps, and we made tactical compromises," Tibbling says. "We understand that they are driven by deadlines, and we are not going to insist on changes that would unreasonably upset those deadlines. Instead, we try to make small, incremental improvements within their budgets."

As important as winning over the IT staff is, Tibbling

*Continued on page 48*

Typically, IT projects are measured in on-time and on-budget terms, while an architect's longer-term SOA project might be measured by reuse and optimization of infrastructure. "If the EA people stress the need to reuse shared infrastructure, that has to be part of the project team's stated goals," Michelson says. "And the EA team has to be graded on the success of shorter-term projects as well."

"To be successful, you need relationships, you need trust," Michelson says. "When project leaders see you are actually pragmatic and willing to help with deliverables, that builds trust."

If a chief architect reports to someone in planning or the project management office, they can get too project-focused and lose the larger architectural picture," Michelson says. But if the chief architect is at the table in the CIO's meetings with business unit leaders, he will hear things differently than if they were filtered down through other managers.

# Improving IT/Business Alignment

Steps IT Executives Can Take to Better Service  
and Communicate with the Business



COMPUTERWORLD

**IT EXECUTIVE SUMMIT**

IT/BUSINESS ALIGNMENT

**Dallas, Texas**

Thursday, November 8, 2007

The Adolphus Hotel  
1321 Commerce Street  
Dallas, Texas 75202

8:15am to Noon

[www.itexecutivesummit.com](http://www.itexecutivesummit.com)

Sponsored by **COMPUWARE.**

Apply for complimentary\* registration at [www.itexecutivesummit.com/Nov8](http://www.itexecutivesummit.com/Nov8) or contact Chrissy DeAvila at 888-299-0155

\*Complimentary registration is restricted to qualified senior IT executives in end-user organizations.

## MANAGEMENT

Continued from page 46 stresses that it's also important to get involved in strategic planning with business units. For instance, the logistics unit has asked her to sit on a long-term planning task force studying trends in transportation. "This is great visibility," she says. "It shows people that we're not just IT geeks telling them what to do. We're actually

engaged with the business people on how to get them where they want to go."

### TRANSFORMATION

Michael Kim has experienced the development of an EA team at The Hartford Financial Services Group Inc. from both sides. As a divisional CIO at the Hartford, Conn.-based insurance giant, he was one of the team's initial

customers. But after a recent promotion to chief technology officer of The Hartford's property-casualty unit, he is now responsible for the EA team's performance.

The evolution of EA at The Hartford is part of a broader transformation three years in the making, Kim says. After taking stock of the company's technology staff and processes, IT leaders realized they lacked discipline and a framework.

"We had good people doing architecture work, but they were embedded within divisions," Kim says. "We have five divisional CIOs, each with his or her own enterprise architect."

Last year, those people were consolidated into a team. But gaining acceptance of that centralization was a challenge. "Probably the biggest limiter for companies that haven't centralized this function yet is the loss of control divisional CIOs expect," Kim says. "If the architects are perceived as having moved into this centralized group but not offering more value, the CIOs would not be happy about it."

But in his experience as a divisional CIO, Kim felt he was starting to get more value from the EA team. "I had access to more resources, people with very specific architectural training. I started seeing a real lift in the quality of talent available," he recalls. "When CIOs see that, it makes it easier for EA to push forward its agenda."

Because architects were previously embedded in departments, integrating them into project teams hasn't been a problem, Kim says. Once any project is launched, the first step is determining the parameters — dollar amounts and the time frame — and architects lead that effort.

**"If the architects are perceived as having moved into this centralized group but not offering more value, the CIOs would not be happy about it."**

MICHAEL KIM, CTO,  
PROPERTY-CASUALTY,  
THE HARTFORD

The Hartford recently created an architectural steering committee to assign red, yellow or green ratings to IT projects based on their adherence to architectural frameworks. "Projects that get red ratings now are coming under more intensive scrutiny and get more executive pushback," Kim says.

Kim regularly reminds the architects that they're responsible to their business customers. "Our job is to deploy our resources so that we get the most out of them," he says.

One of Kim's top goals is to increase the momentum the EA team has achieved. His challenge is to decide which aspects of the architecture to emphasize first.

Many IT leaders say their greatest challenge is finding architects who will act less like technologists and more like anthropologists seeking to understand the culture of their organizations.

"To have influence with people, you have to understand where they're coming from — what motivates them," Michelson says. Sometimes people assume they have positional authority to dictate changes, but that approach usually fails, she says, adding, "It's more about building relationships."

Rath is a freelance writer based in Philadelphia. Contact him at [draths@mac.com](mailto:draths@mac.com).

### LEGAL NOTICE U.S. POSTAL SERVICE STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION (Required by 39 U.S.C. 3685)

- Title of Publication: Computerworld
- Publication No.: 0010-0641
- Date of filing: September 27, 2007
- Frequency of issue: weekly, with a single combined issue the first two weeks of July and the last 2 weeks of December.
- Number of issues published annually: 50
- Annual subscription price: \$69.99
- Location of known office of publication: One Speen Street, Framingham, MA 01701-9171 (Middlesex-Central County).
- Location of the headquarters of general business offices of the publishers: Computerworld, One Speen Street, Framingham, MA 01701-9171 (Middlesex County).
- Name and addresses of the publisher, editor and managing editor: Publisher/CEO, Matthew Swenney, One Speen Street, Framingham, MA 01701-9171; Editor-in-Chief, Don Tennant, One Speen Street, Framingham, MA 01701-9171; Managing Editor, Mitch Betts, One Speen Street, Framingham, MA 01701-9171.
- Owner: International Data Group, 1 Exeter Plaza, Boston, MA 02116-2851.
- Known bondholders, mortgages and other security holders owning or holding 1% or more of total amount of bonds, mortgages or other securities: International Data Group, 1 Exeter Plaza, Boston, MA 02116-2851. None
- For completion by nonprofit organizations authorized to mail at special rates: Not applicable.
- Publication Name: COMPUTERWORLD
- Issue date for circulation data below: September 24, 2007.
- Extent and nature of circulation:

	Average No. Copies Each Issue During Preceding 12 Months	Actual No. Copies of Single Issue Published Nearest to Filing Date
A. Total number of copies printed (net press run)	189,708	188,734
B. Paid and/or requested circulation		
1. Individual Paid/Requested mail subscriptions stated on PS Form 3541	183,863	185,827
2. Copies requested by employers for distribution to employees by name or position stated on PS Form 3541	0	0
3. Sales through dealers and carriers, street vendors, counter sales, and other non-USPS paid distribution	750	709
4. Requested copies distributed by other mail classes through the USPS	0	0
C. Total paid and/or requested circulation	184,613	186,536
D. Nonrequested distribution		
1. Nonrequested copies stated on form 3541	0	0
2. Nonrequested copies distributed through the USPS by other classes of mail	0	0
3. Nonrequested copies distributed outside the mail	1,666	1,578
E. Total nonrequested distribution (sum of 1d (1), (2), and (3))	1,666	1,578
F. Total distribution (sum of 1b and 1e)	186,279	188,114
G. Copies not distributed	620	620
H. Total (sum of 1f and 1g)	186,734	188,734
I. Percent paid and/or requested circulation (1c/1h x 100)	99%	99%

I certify that the statements made by me above are correct and complete.

Robert Westcott  
Director of Distribution  
and Postal Affairs



Computerworld Newsletters

The Weekly Top 50

Storage News

Security: Issues and Trends

Virus and Vulnerability Roundup

Mobile/Wireless Computing

Networking

Computing

IT Management

Web Sites (Recommended)

E-Business

Daily Show

Infrastructure News

Emerging

Desktop

Software

Hardware

Services

State

NAS

Cloud

Mobile

Network

Virtual

# Good news travels fast with Computerworld.com newsletters.

Sign up today to get up to the minute news and analysis no matter where you're taking a break.

[www.computerworld.com/newsletters](http://www.computerworld.com/newsletters)

COMPUTERWORLD

■ OPINION

Paul M. Ingevaldson

## No More Mr. Nice Guy

**I**T HAS BEEN my experience that IT professionals will do just about anything to please the user. Regardless of what is requested, the typical IT pro says yes. But what has it gotten us? We are being outsourced, offshored and told that we don't matter. We agree to a major enhancement to a system during development, and we get charged with missing budgets and deadlines. We agree to modify an outside

package, and then we are criticized when we incur ongoing maintenance costs.

It's time to become more professional and take our place in the company hierarchy. It's time to stand up for our principles. It's time to say no.

When users don't have time to tell us what they really want in their new system, we should say, "No. You can't have the system until you spend the time to tell us what you want."

When users come to us during the development cycle and significantly change the specs and expect us to meet all the former deadlines, we should say, "No. If you want these changes, we are happy to put them in, but we are also going to have to re-estimate the project and develop new timetables and costs."

When users ask us to

customize a commercial software package, we should say, "No. The reason we bought an outside package was to avoid the downstream maintenance and compatibility costs. If you go with an outside package, you must agree to conform to its processes."

When a user department asks us to determine the return on investment and then sell the project, we should say, "No. We would be happy to work with you on the process, but it's up to you to calculate the ROI and sell it to the

**■ Regardless of what is requested, the typical IT pro says yes. But what has it gotten us? We are being outsourced, offshored and told that we don't matter.**

steering committee."

When a user department complains that it didn't receive the expected benefits of a project, we should say, "Back off. We are responsible for developing the system on spec, on time and on budget. You are responsible for making the changes necessary to ensure proper implementation and the resulting benefits."

In order to better control our fate and reputation within our companies, we in IT must begin to act the same way other support departments do.

No construction company would erect a building without an agreement on specs. It would say no.

No construction company would ever make a field change of significance without having a signed-off change order in the files. It would say no.

No construction com-

pany would be expected to justify a factory that it happens to be building. If asked to do so, it would say no.

It would also say no if its contract required it to be responsible to attain the savings that were included in the justification.

Now, I don't expect IT pros to say no by "just saying no." There are ways to say no that help everyone understand the roles that IT and the users must play in every development cycle. The ability to say no tactfully and with respect is a major skill set that we need to develop.

I believe we would all be surprised at the results if we stood up for these principles in a professional manner.

Every profession has rules of conduct that are not violated. Many professions, such as accounting, have organizations that establish the rules, and woe to the person who violates them. But experience shows that as soon as users feel that the rules can be adjusted, they will ask us to do it.

My advice: Just say no! ■

**Paul M. Ingevaldson** retired as CIO at Ace Hardware Corp. in 2004 after 40 years in the IT business. Contact him at [ingepi@aol.com](mailto:ingepi@aol.com).



# KEEP DOWNTIME WHERE IT BELONGS: OUTSIDE THE OFFICE.

The HP ProLiant DL380 G5 server comes with Systems Insight Manager (SIM) software. HP SIM has shown an average reduction in server downtime of 77%, by monitoring your system and alerting you of potential server problems before they occur. Technology for better business outcomes.



Xeon

PROCESSOR

Quad-core.  
Unmatched.



Get the full story in the IDC white paper at [hp.com/go/sim7](http://hp.com/go/sim7)  
or call 1-866-545-0297



## MARKETPLACE

Instantly Search Terabytes of Text



- over two dozen indexed, unindexed, filtered data and full-text search options
- highlights hits in HTML, XML, and PDF, while displaying links, formatting and images
- converts other file types (database, word processor, spreadsheet, email and attachments, ZIP, Unicode, etc.) to HTML for display with highlighted hits
- Spider supports static and dynamic Web content, with WYSIWYG hit-highlighting
- API supports .NET, C++, Java, SQL databases. New .NET Spider API

### dtSearch Reviews

- "Bottom line: dtSearch manages a terabyte of text in a single index and returns results in less than a second" — InfoWorld
- "For combing through large amounts of data, dtSearch 'leads the market' — Network Computing
- "Blindly fast" — Computer Forensics: Incident Response Essentials
- "Covers all data sources... powerful Web-based engine" — eWEEK
- "Searches at blazing speeds" — Computer Reseller News Test Center

For hundreds more reviews — and developer case studies — see [www.dtsearch.com](http://www.dtsearch.com)

The Smart Choice for Text Retrieval® since 1991

1-800-4FINDS® [www.dtsearch.com](http://www.dtsearch.com)

## Improve Performance.

Boost the performance of your supply chain execution applications with LXE's industrial wireless data-collection solutions including ultra-rugged and reliable wireless computers, mobile RFID technologies, and wireless networking products.



For your **FREE white paper**, "Key Enablers for an Efficient & Optimized Voice-Based Warehouse," call 1-800-684-4593, email [info@bx.com](mailto:info@bx.com), or visit [www.bxe.com/CW](http://www.bxe.com/CW).

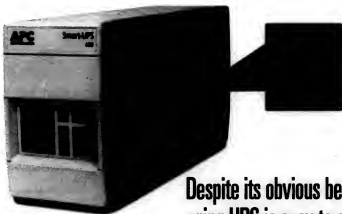
**LXE**

## Reach Respected IT Leaders in COMPUTERWORLD Marketplace Advertising Section

The Computerworld Marketplace advertising section reaches more than 1.8 million IT decision makers every week. Marketplace advertising helps Computerworld readers compare prices, search for the best values, locate new suppliers and find new products and services for their IT needs.

To advertise, call 212-655-5157  
or visit us at [www.venturedirect.com](http://www.venturedirect.com)

**VENTUREDIRECT**  
WORLDWIDE



Despite its obvious beauty, an aging UPS is easy to overlook (that's why it beeps).

Upgrade, or juice up, your old UPS today for a happy tomorrow.

#### A battery warning from your partner in reliability

When you bought your APC UPS, you chose it, and us, for our legendary reliability... because you wanted the best product available. So as the industry leader and your chosen partner, it's our job to inform you that an aging UPS battery puts your network reliability and your peace of mind at risk. If you are converging and consolidating your networks, upgrading your equipment, or deploying new servers, be warned: an older UPS simply cannot handle the increased loads and criticality — putting your entire network at risk of costly downtime, unsafe shutdowns, and data and equipment loss.

#### Luckily, there is a simple solution for renewed peace of mind

— APC Trade-UPS. With the Trade-UPS program, you can trade in your aging UPS for a new unit and receive a 35% discount on your new purchase, plus more runtime and enhanced manageability of networked power and cooling. Not only will you see improvement in performance, you'll also see improvements in your utility bill.

So if you love your UPS reliability, make it last forever. Don't wait for your aging UPS to tell you — Trade UP today.

#### Three easy steps to improved power protection.

You can get the latest in UPS technology, at 35% off, with the APC Trade-UPS program.

##### Step 1: Tell us what you have

- manufacturer/model
- serial number
- capacity in volt/amperes (VA)
- number of units

##### Step 2: Choose what's best for you by

- price
- features
- capacity

##### Step 3: Checkout

- Get up to 35% off the price of each new UPS
- New 2 year warranty
- FREE return shipping of old units
- FREE environmentally friendly disposal of your old UPS

**Trade-UPS**

APC also provides upgrade options and battery replacement solutions for both in-warranty and out-of-warranty UPS products. Visit [www.apc.com/look/upgrade](http://www.apc.com/look/upgrade) for more information.

**Trade-UPS**

## Upgrade today and save!

Visit APC online and receive up to 35% off the latest in UPS technology.

Visit [www.apc.com/look](http://www.apc.com/look) Key Code 18821 • Call 800.280.APC.x217 • Fax 401.708.2707

**APC**  
Legendary Reliability®

©2007 American Power Conversion Corporation. All rights reserved. APC, the APC logo, and the APC logo are trademarks of APC Corporation. All other trademarks are the property of their respective owners.
010107121

# Career Watch

## The In-Demand Skills

The eight technical skills most often cited by CIOs as being most needed within their IT departments.

Rank	Skill	Percentage Citing It
1	Windows administration	73%
2	Network administration	70%
3	Database management	60%
4	Firewall administration	55%
5	Wireless network management	52%
6	Business intelligence	34%
7	ERP implementation	22%
8	Microsoft .Net development	22%

SOURCE: ROBERT HALF TECHNOLOGY 5 2008 SALARY GUIDE  
FROM AN AUGUST 2007 SURVEY OF 1,400 CIOs. MULTIPLE RESPONSES ALLOWED

**2%**

Unemployment rate for IT jobs, based on an average of quarterly Bureau of Labor Statistics household survey data for the 12-month period that ended in June.

**754,000**

Number of U.S. workers 55 years or older who were unemployed and actively seeking work last year.

SOURCE: U.S. BUREAU OF LABOR STATISTICS

## Job Hunting: Get Started

IT workers looking for new jobs can download what IT staffing services company TAC Worldwide Cos. calls the Start button. The button, which can reside on any Windows PC's desktop, provides one-click access to TACSource, the company's proprietary database of more than 10,000 IT and engineering positions. If you use it and like it, you can e-mail the TAC Start button to job-seeking friends.

**TAC  
START**

## If You're Networking For a Job, It's Already Too Late

BY THOMAS HOFFMAN

As Hunter Muller sets it, professional networking is analogous to the TV game show *Who Wants to Be a Millionaire*.

"It's the power of the network, the power of the lifeline that helps people out," said Muller, president and CEO of The Advisory Council, a Norwalk, Conn.-based IT research and advisory service.

But for many people, there's a delicate line between networking and job hunting. Professionals who mingle with their peers to find new positions often end up alienating the very people they're counting on for support, according to IT executives who spoke recently at a meeting of the Fairfield County, Conn., and Westchester County, N.Y., chapter of the Society for Information Management.

"People who are networking to find a job create distance [from their peers] because they're about taking and wanting, and networking is about giving and sharing," said Jeff Skulsky, CIO at

Regeneration Pharmaceuticals Inc. in Tarrytown, N.Y. "If you're networking to find a job, it's too late," he added.

Sometimes, soft-pedaling can be more effective. When Rhona Kannon transitioned from a career as an IT professional into the IT recruiting market, she reached out to 150 people she knew, but she wasn't pushy. "I said, 'Hi, how are you? This is what I'm doing now,' without asking them for business," said Kannon, a partner at The Cambridge Group Ltd., a recruiter in Westport, Conn. Those contacts responded well to her easy-going approach, explained Kannon, and she credits them with helping to build her recruiting business.

Networking "is about approaching people on their terms" without necessarily expecting something in return, said Ed Pospesil, chairman of the Technology Executives Networking Group, a Guilford, Conn.-based network of 3,600-plus IT executives.

It's also an essential tool for would-be IT executives, he said. "The people who network are those who make it to the executive ranks," Pospesil said. "The worker bees don't."

you may have to swallow your pride from time to time for the sake of career advancement

focus on "deep connections."

Don't be reluctant to show weakness.



# Career Watch

## The In-Demand Skills

The eight technical skills most often cited by CIOs as being most needed within their IT departments.

	Windows administration	73%
	Network administration	70%
	Database management	60%
	Firewall administration	55%
	Wireless network management	52%
	Business intelligence	34%
	ERP implementation	22%
	Microsoft .Net development	22%

SOURCE: ROBERT HALF TECHNOLOGY'S 2008 SALARY GUIDE  
FROM AN AUGUST 2007 SURVEY OF 1,400 CIOs. MULTIPLE RESPONSES ALLOWED.

**2%**

Unemployment rate for IT jobs, based on an average of quarterly Bureau of Labor Statistics household survey data for the 12-month period that ended in June.

**754,000**

Number of U.S. workers 55 years or older who were unemployed and actively seeking work last year.

SOURCE: U.S. BUREAU OF LABOR STATISTICS

PAGE COMPILED BY JAMIE ECKLE

TAC  
START

## If You're Networking For a Job, It's Already Too Late

BY THOMAS HOFFMAN

As Hunter Muller sees it, professional networking is analogous to the TV game show *Who Wants to Be a Millionaire*.

"It's the power of the network, the power of the lifeline that helps people out," said Muller, president and CEO of The Advisory Council, a Norwalk, Conn.-based IT research and advisory service.

But for many people, there's a delicate line between networking and job hunting. Professionals who mingle with their peers to find new positions often end up alienating the very people they're counting on for support, according to IT executives who spoke recently at a meeting of the Fairfield County, Conn., and Westchester County, N.Y., chapter of the Society for Information Management.

"People who are networking to find a job create distance [from their peers] because they're about taking and wanting, and networking is about giving and sharing," said Jeff Skulsky, CIO at

Regeneron Pharmaceuticals Inc. in Tarrytown, N.Y. "If you're networking to find a job, it's too late," he added.

Sometimes, soft-pedaling can be more effective. When Rhonda Kannon transitioned from a career as an IT professional into the IT recruiting market, she reached out to 150 people she knew, but she wasn't pushy. "I said, 'Hi, how are you? This is what I'm doing now,' without asking them for business," said Kannon, a partner at The Cambridge Group Ltd., a recruiter in Westport, Conn. Those contacts responded well to her easy-going approach, explained Kannon, and she credits them with helping to build her recruiting business.

Networking "is about approaching people on their terms" without necessarily expecting something in return, said Ed Pospestil, chairman of the Technology Executives Networking Group, a Guilford, Conn.-based network of 3,600-plus IT executives.

It's also an essential tool for would-be IT executives, he said. "The people who network are those who make it to the executive ranks," Pospestil said. "The worker bees don't."

you may have to swallow your pride from time to time for the sake of career advancement

focus on "deep connections."

Don't be reluctant to show weakness.



## COMPUTERWORLD

Law Firms  
IT Consultants  
Staffing  
Agencies

Place  
your Labor  
Certification  
Ads here!

Are you  
frequently  
placing legal or  
immigration  
advertisements?

Let us  
help you  
put together  
a cost effective  
program that  
will make this  
time-consuming  
task a little  
easier.



Contact us at:

800.762.2977

ITcareers

IT Finance Administrator Pays  
computer Systems, Inc., an  
established and expanding IT  
consulting company with head-  
quarters in Cambridge, MA, is  
searching for qualified Finance  
Administrator to handle and pre-  
pare various accounting func-  
tions. SAP and IT finance expe-  
rience desired. Position requires  
BS or equivalent equivalent in  
Accounting or a related field and  
relevant IT industry experience.  
Position is located in Cambridge,  
MA. Qualified applicants submit  
resumes to HR Department  
(Attn: Mihlesh Sharma), Pays  
Computer Systems, Inc., One  
Brookline, 1598  
Cambridge, MA 02142

Software Quality Assurance  
Engineering Manager  
eCommerce (Mountain View, CA)  
Manage team of Software Quality  
Engineers to ensure that  
eCommerce web-based products  
meet city mgmt's reliability skills.  
Reqs Masters or equiv in Comp  
Sci, Engg or related, working  
knowl of eCommerce, cy secu-  
rity test methodologies & strate-  
gies, QTP, Web Tools, Load  
Runner, WhiteBox/Black Box Testing;  
& must be PMI certified. Submit  
resumes to HR Manager-485,  
Webroot Software, Inc, 2560 56th  
St, Boulder, CO 80301.

DBA wanted by Techno Polymer  
America. Design & maintain data-  
base for business, inventory and  
logistic management. Requires  
minimum MS Information  
Systems. Send resume to 38777  
W 8 Mile, #294, Livonia, MI  
48152. No phone calls. EOE.

ERP Global seeks Programmer  
Analyst. Involve in the GAP  
analysis, "AS IS" & "TO BE"  
processes, create Test scripts,  
BPP, Interfaces, Enhancements,  
Conversions and Roll Matrix.  
Minimum MS. Send resumes to  
13328 Michigan Ave, H3,  
Dearborn, MI 48126. No calls.

Citadel Investment Group is  
seeking a Financial Engineer -  
Portfolio Construction in  
Chicago, IL. Work closely with  
members of the Portfolio  
Construction Quantitative  
Researches and trading desk  
teams to provide support and  
development of the portfolio  
allocation and optimization  
applications and systems. Help  
architect medium-scale real-  
time trading systems across  
multiple products, functions,  
and tiers. Utilize C++ to  
enhance and develop additional  
algorithms and models for the  
systems, as well as optimize,  
monitor and troubleshoot sys-  
tem performance. Develop  
new financial analysis func-  
tions using advanced mathem-  
atical skills and business  
knowledge to support QR's  
need to analyze new products,  
enhance risk management,  
and/or pricing functionality.  
Requirements include a  
Master's degree or foreign  
equivalent in engineering, sci-  
ence, mathematics, or other  
quantitative field. Must have at  
least two years of experience  
utilizing C++ on UNIX develop-  
ing real-time solutions, as well  
as two years of experience  
using Perl, SQL, and Sybase.  
Must also have experience  
developing sophisticated math  
models and proficiency with  
time series analysis. Qualified  
candidates should submit a  
cover letter and resume, job re-  
ference R-0052, to  
tyob0052@citadelgroup.com.  
Principals only need apply.

Software Engineers and  
Programmer Analysts  
required for Plano, TX.  
Salary based on educa-  
tion, skills and experience.  
Please send resumes to  
HR, Stellar Software  
Network, Inc. 2121 W  
Spring Creek Pkwy, Suite  
104, Plano, TX 75023.

Launch.  
Connect.  
Engage.



USPS IT  
provides worldwide  
connectivity solutions.  
Let us help you connect  
with the right career!  
[www.usps.com/employment](http://www.usps.com/employment)

Software Engineer (Castle  
Rock, CO) Involved in full-  
life cycle s/ware devlpm.  
Reqs Masters in Comp Sci  
or equiv & working knowl of  
Delphi prgmg language, 3-  
tier architecture & Multitier  
localization tool. Resume to  
Lana Rozendorf, ID-  
Entites, Inc, 6620 Ocaso  
Dr, Castle Rock, CO 80108.

South Windsor, CT (Mail,  
pos. avail.): Peoplesoft  
Applications Analyst,  
Programmer Analyst,  
Software Engineer (4  
pos.). Reply to: Credent  
Technologies, LLC, 30  
Brookfield Street, Suite A,  
South Windsor, CT 06074.

Sogefi USA, LLC, an IT  
Consulting Company, headquar-  
tered in Dayton, Ohio is current-  
ly seeking IT professionals to fill  
Consultant positions located  
nationwide. Specific skill sets  
needed include:

- Web development (Job # 010)
- Business Intelligence  
Consulting (Job #020)
- Database services (Job # 030)
- CRM Consultants (Job #040)
- EAI Development (Job #050)
- Testing & QA Analysts (Job  
#020)
- Network Services (Job #070)
- ERP Consultants (Job #080)
- PLM Consultants (Job #090)
- Mainframe Developers (Job  
#100)
- Business Analysts (Job #110)
- Project Managers (Job #120)

Entry through Senior level posi-  
tions available. Competitive  
salaries. Must be willing to travel  
extensively. Must relate TO spe-  
cific SKILL SET & number  
ABOVE for consideration. Send  
resume to:  
sogefi.resumanp1@insight.sog  
efi.com. Applicants must have  
authority to work permanently in  
the U.S.

## LOOKING FOR SOMETHING NEW?

Find your ideal IT job through IT Careers!

For additional IT positions, search

[www.ITCareers.com](http://www.ITCareers.com), our online data-  
base of over 20,000 jobs each month!



**Only the**  
**good stuff**  
**gets through.**



**This is Tech Dispenser.** Unlike bot-powered blog networks, we have actual human beings picking and choosing which IT blogs are the most interesting. Every piece of content that appears on Techdispenser.com is selected by Computerworld editors and categorized for easy access. With over 80 IT blogs in our growing network, we've created a one-stop shop so you can see what the top bloggers on the Web are saying each week.

**www.techdispenser.com**

**TECH  DISPENSER**

— THE COMPUTERWORLD BLOG NETWORK —



## COMPUTERWORLD

**HEADQUARTERS**  
P.O. Box 9171, 1 Spenn Street  
Frammingham, MA 01701-9171  
(508) 679-0700  
Fax (508) 675-4394

**President/Publisher/CEO**  
Matthew J. Sweeney  
(508) 271-7100

**Executive Assistant to CEO/  
Corporate Communications  
Manager**  
Lauren Ausermann  
(508) 820-8522

**Vice President/  
General Manager Online**  
Martha Connors  
(508) 820-7700

**Vice President, Marketing**  
Matt Duffy  
(508) 820-8145

**Vice President,  
Custom Content**  
Bill Laberis  
(508) 820-8669

**Vice President,  
Human Resources**  
Julie Lynch  
(508) 820-8182

**Executive Vice President,  
Strategic Programs**  
Ronald L. Milton  
(508) 820-8661

**Vice President/Publisher  
Computerworld.com**  
Gregg Pinsky  
(508) 271-8013

**Executive Vice President/COO**  
Matthew C. Smith  
(508) 820-8102

**Vice President/Editor in Chief**  
Don Tennant  
(508) 820-7714

**Vice President, Circulation**  
Debbie Windsor  
(508) 820-6193



**International Data Group**  
Chairman of the Board  
Patrick J. McGovern

**President,  
IDG Communications**  
Bob Carmon

Computerworld is a business unit of IDG, the world's leading technology media, research and events company. IDG publishes more than 300 magazines and newspapers and offers online users the largest network of technology specific sites around the world through IDG.net (www.idg.net), which comprises more than 330 targeted Web sites in 60 countries. IDG is also a leading provider of 100 computer-related events worldwide, and IDG's research company, IDC, provides global market intelligence and advice through 51 offices in 43 countries. Company information is available at [www.idg.com](http://www.idg.com).

# Sales Offices



**President/Publisher/CEO**  
Matthew J. Sweeney (508) 271-7100  
Fax (508) 270-3882

**Sales Integration Director**  
Laurie Marston (508) 626-4623  
Fax (508) 270-3882

**■ NORTHWESTERN STATES**  
**Vice President,  
Integrated Programs**  
Jim Barrett (415) 978-3306

**Account Executive**  
Chris Da Rosa (415) 978-3304  
**Mailing Address**  
501 Second Street, Suite 114  
San Francisco, CA 94107  
Fax (415) 543-8010

**■ BAY AREA**  
**Vice Presidents,  
Integrated Programs**  
Jim Barrett (415) 978-3306  
Sara Culey (415) 978-3307

**Account Executives**  
Chris Da Rosa (415) 978-3304  
Ernie Hung (415) 978-3308  
**Mailing Address**  
501 Second Street, Suite 114  
San Francisco, CA 94107  
Fax (415) 543-8010

**■ SOUTHWESTERN STATES**  
**Vice President,  
Integrated Programs**  
Bill Hanch (949) 442-4006

**Account Executive**  
Joan Delarobba (949) 442-4053  
**Mailing Address**  
19200 Von Karmen Avenue  
Suite 360, Irvine, CA 92612  
Fax (949) 476-8724

**■ EASTERN CENTRAL  
STATES/INDIANA**  
**Vice President,  
Integrated Programs**  
Peter Mayer (201) 634-2324

**Account Executive**  
John Radzinski (201) 634-2323  
**Mailing Address**  
650 From Road, Suite 225  
Paramus, NY 07652  
Fax (201) 634-9299

**■ CENTRAL STATES**  
**Vice President,  
Integrated Programs**  
Bill Hanch (949) 442-4006

**Account Executive**  
Joan Delarobba (949) 442-4053  
**Mailing Address**  
19200 Von Karmen Avenue  
Suite 360, Irvine, CA 92612  
Fax (949) 476-8724

**■ NEW ENGLAND STATES**  
**Director, Integrated Programs**  
Deborah Cummings (508) 271-7100

**Sales Associate**  
Jess Roman (508) 271-7108  
**Mailing Address**  
P.O. Box 9171, 1 Spenn Street  
Frammingham, MA 01701  
Fax (508) 270-3882

**■ METRO NEW YORK**  
**Vice President,  
Integrated Programs**  
Peter Mayer (201) 634-2324

**Account Executive**  
John Radzinski (201) 634-2323  
**Mailing Address**  
650 From Road, Suite 225  
Paramus, NY 07652  
Fax (201) 634-9299

**■ SOUTHEASTERN STATES**  
**Vice President,  
Integrated Programs**  
Lisa Lade-Wolcott (904) 284-4972

**Mailing Address**  
5242 River Park Villas Drive  
St. Augustine, FL 32082  
Fax (800) 779-8622  
**Sales Associate**  
Jess Roman (508) 271-7108  
**Mailing Address**  
P.O. Box 9171, 1 Spenn Street  
Frammingham, MA 01701  
Fax (508) 270-3882

**CIRCULATION**  
**Senior Circulation Specialist**  
Diana Turco (508) 820-6197

**PRODUCTION**  
**Vice President, Production**  
Carolyn Medeiros  
**Production Manager**  
Kim Penning

**Print Display Advertising**  
(508) 820-8232  
Fax (508) 879-0446

**DISTRIBUTION**  
**Director of Distribution and  
Postal Affairs** Bob Wescott

**STRAATEGIC PROGRAMS  
AND EVENTS**

**Vice President, Business  
Development** John Amato

**Director, Business  
Development** John Valopas

**Senior Director, Event  
Sponsorship** Sales Ann Harris

**Vice President, Event  
Marketing and Conference  
Programs** Derek Mulvey

**Director, Event Management**  
Michael Molesky

**Executive Programs Specialist**  
**Executive Assistant** Kelly McGill  
Fax (508) 826-8524

**ONLINE ADVERTISING**  
**Vice President/Associate Publisher**  
Sean Wiegley (415) 978-3314  
Fax (415) 543-8010

**Online Sales Manager, East Coast**  
James Kalbach (603) 971-1585

**Online Account Executive**  
April Hughes (415) 978-3311  
Fax (415) 543-8010

**Online Account Executive**  
Matthew Wittingham  
(508) 270-3882

**Account Services Director**  
Bill Rhyly (508) 820-8111  
Fax (508) 270-3882

**Online Sales Assistant**  
Joan Olson (508) 270-7112  
Fax (508) 270-3882

### IT CAREERS

**Director of Sales**  
Laura Wilkinson (847) 441-8877  
Fax (847) 441-8878

### LIST RENTAL

**Postal and E-mail**  
Rich Green (508) 270-0632  
[rgreen@idglist.com](mailto:rgreen@idglist.com)

**Mailing Address**  
IDG List Services, P.O. Box 9151  
Frammingham, MA 01701-9151  
Fax (508) 270-0020

ISSN 1041-7142

847-NY 5211

■ FRANKLY SPEAKING

Frank Hayes

# No More Optimism

**H**OW LONG have we been hearing about this TJX mess? It's hard to believe, but the news broke last January: Intruders had stolen credit card transaction data about customers of T.J. Maxx, Marshalls and other TJX stores. Back then, TJX claimed that "a limited number" of customers were affected. "And by 'limited' we mean substantially less than millions," a spokeswoman said.

Last week, we got a harder number: 94 million customers.

How could TJX have been so spectacularly wrong?

One word: optimism. Oh sure, these people might just be lying SOB's who deliberately covered up the awful news. But what we know suggests they really were concerned — just clueless as to how bad it could get.

Consider this: Back in January, TJX thought the breach came in mid-May 2006. But within weeks, an investigation by IBM and General Dynamics found that the first intrusion had happened almost a year earlier, in July 2005 — not seven but 17 months before it was discovered.

In January, TJX said the number of customers affected was under a million. But the New Hampshire Bankers Association, which represents banks that issue credit cards in that state, estimated that up to 4 million people were affected just in New England.

By March, TJX's estimate had ballooned to 45.6 million credit accounts in filings with the U.S. Securities and Exchange Commission. The company is still officially sticking with that number. But in court filings last week, a group of banks said that 94 million separate credit and debit card accounts were affected — 65 million Visa accounts and 29 million MasterCard accounts.

That's 100 times TJX's first estimate, and so astonishingly out of whack with the original statement that if it was an intentional lie, it was doomed to be unbelievable from the start.

But optimism? Yeah, we can believe that.

After all, IT people know how seductively

dangerous optimism can be. It's the reason we routinely overrun project budgets and timelines. It's why user training always takes longer and is less effective than we expect it to be. It's the root cause of most of our software problems and hardware headaches.

We underestimate what can go wrong. And when it does, we're not prepared. In fact, we're blindsided.

And when it comes to security, optimism is deadly. It means we underestimate the risks before a breach and underestimate the damage once it happens.

Unfortunately, optimism is popular with management, especially at the top. Short schedules, lowball budgets and rosy security outlooks are what they want to hear. Realistic assessments of time, cost and risk? That's the stuff that gets the messenger shot. But that's what we

have to deliver.

How? With a little sugarcoating, maybe. Or backed by lots of statistical detail. Or with downside examples based on experience — our own or our competitors'.

Exactly how to rein in that desire for optimism depends on company culture and politics. But it has to be done.

And the first step is getting rid of unrealistic optimism throughout the IT shop. We have to recognize that problems, time bombs and dead ends exist, so we can find them and deal with them.

That doesn't mean gloom and doom should rule IT — just a healthy skepticism about how smoothly things will go, along with a sharp eye for worst-case scenarios.

A can-do attitude? Sure. A nothing-can-go-wrong view? Never.

As for TJX, for all the trouble optimism has caused through the course of this security fiasco, maybe this isn't the time to abandon those rose-colored glasses.

With the FTC, Canadian privacy regulators, state officials and 94 million customers breathing down its neck, TJX had better hope things just don't get any worse. ■

Frank Hayes is Computerworld's senior news columnist. Contact him at [frank\\_hayes@computerworld.com](mailto:frank_hayes@computerworld.com).



Innovations by InterSystems

**Embed the ability to scale.**



For software developers, the ability to scale is a critical factor in determining the value of their applications. InterSystems' scalable architecture enables developers to build applications that can grow with their business, ensuring long-term success and profitability.

**Make  
Applications  
More  
Valuable**

# 40% LESS COST SIMPLER TO MANAGE



#### THE NEW DELL MD3000i

- 40% less cost than the IBM DS3300
- Designed specifically for small and medium businesses
- Simpler deployment and management for non-IT experts
- Utilizes existing Ethernet network
- Scales up to 18TB – without hidden charges
- No confusing licensing schemes

**STORAGE IBM CAN'T BEAT**

LEARN HOW DELL SIMPLIFIES STORAGE AT  
[DELL.COM/Manage](http://DELL.COM/Manage) or call 866.260.DELL

**DELL**